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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. CHAMBLISS].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 20, 1996.

I hereby designate the Honorable SAXBY CHAMBLISS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

As You are the creator of the whole world, O God, and have blessed us and ever watch over us, we express our petitions before You seeking Your grace and mercy. We remember those who have special need this day—those in sorrow or sadness, those who need Your healing hand and Your word of blessing, those who look for confidence and trust, those who seek courage and strength. May Your peace, O gracious God, that is always with us, be and abide with all Your people, now and evermore. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Colorado [Mr. HEFLEY] come forward and lead the House in the Pledge of Allegiance.

Mr. HEFLEY led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes per side.

WHY IS CRAIG LIVINGSTONE STILL ON THE WHITE HOUSE PAYROLL?

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

Mr. CHABOT. Mr. Speaker, why are taxpayers paying Craig Livingstone not to work? He is the guy who was involved in pawing through the private FBI background files on political opponents of President Clinton. Even the director of the FBI, a Clinton appointee, has termed his conduct ''an egregious violation of privacy.''

Does the buck stop with Livingstone? Do not bet on it. Others at the White House chose to plead executive privilege to cover this stuff up, but Craig Livingstone is the one that the White House has chosen to suspend. His job has now been reorganized out of existence, yet he continues to be paid with taxpayer dollars.

True, there are probably a lot worse things than paying Craig Livingstone not to work, like paying him to continue his sleazy investigations of American citizens. It is not like he has been named as an unindicted co-conspirator or something. Still, it is curious that he remains on the White House payroll. Very curious.

REPUBLICAN TAX BREAKS FOR THE WEALTHY

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

Mr. PALLONE. Mr. Speaker, I continue to criticize the Gingrich-Dole Medicare cuts because basically they are being used to pay for tax breaks for the wealthy. They open the door for doctors to overcharge seniors beyond current copayment ceilings, and basically force seniors into managed care and eliminate their choice of doctors.

But now these tax breaks are coming at the very time when, in today's New York Times, it is reported that the income disparity between the poorest and the richest continues to rise. The Census Bureau said today that the gap between the most affluent Americans and everyone else is wider than it has been since the end of World War II, and the Bureau has determined that from 1968, when the gap began to widen, to 1994, the last year for which complete data were available, each indicator has shown a pronounced increase between the gap in the income of the well-to-do and those of the poor and working class. So why do we continue to make these Medicare cuts in order to give tax breaks to the wealthy?

The income disparity in this country has never been as great, and it just indicates once again why the Gingrich Republicans and the Republican leadership continue to play to the special interests, and that is the wealthy Americans, with these tax cuts.

UNINDICTED CO-CONSPIRATOR?

(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, one of Bill Clinton's closest advisers, and best

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

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friends, Bruce Lindsey, has been named an unindicted coconspirator in the Arkansas trial of two bankers involved in the Whitewater scandal.

Unindicted coconspirator? Mr. Speaker, when was the last time you heard that term used in relation to the White House? How about 1974. That is right—Watergate.

Mr. Lindsey's designation as a coconspirator is a significant turn of events. What this means is that someone inside Bill Clinton's circle of top advisers has been linked directly to the illegal diversion of funds to Clinton's 1990 campaign for Governor.

Mr. Speaker, Bill Clinton's propensity for unethical, if not blatantly illegal behavior, can no longer be ignored.

Whitewater. Travelgate. Filegate. All of these scandals are just now starting to mushroom and they all demonstrate a White House devoid of any sense of ethical proportion.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the Member to avoid personal references to the President.

INCOME DISPARITY BETWEEN RICH AND POOR IS STEADILY INCREASING

(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, the New York Times today, and other newspapers, point out that the income disparity, that is, the gap between the wealthiest, the poorest, and the middle class, is steadily growing; no secret to many working middle-class Americans. From 1968 to 1994, the rich were indeed getting richer, the poor poorer, and a lot of folks just are not moving anywhere.

So what has been the response in the Gingrich-Dole budget that has passed this House and actually passed the Congress? First was to cut back the earned income tax credit for working families earning under $28,000. That means thousands of West Virginia working families will actually see a tax increase, not a tax cut. Oh, yes, I know about the $500 tax credit that is proposed. However, that will mean that one-third of low-income children will not see a benefit from that, and it will not offset the tax increase that many of our working families will see.

Another response has been to cut Medicare for those who need it the most to pay for a tax break, many of the benefits of which will go to the wealthiest. That does not make much sense.

Finally, for those trying to be upwardly mobile and get an education, the Gingrich-Dole budget would also rein in student loans. They are trying to cut the rungs off the very ladder people are trying to climb up.

SALES OF NUCLEAR TECHNOLOGY TO CHINESE COMPANY

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

Mr. TRAFICANT. Mr. Speaker, the White House approved a $140 million sale of nuclear technology to a Chinese company that has already sold nuclear technology to Pakistan and Iran. The White House said do not worry, this time the Chinese Energy Corp. has promised not to do this again. Unbelievable. Who is on first? What is on second?

America gives money to Russia, Russia sells billions of dollars' worth of technology to China, China sells the technology to our enemies. The White House threatens China, then the White House sells nuclear technology to China, and China says do not worry.

Beam me up, here. It is completely evident the left hand at the White House does not know what the far left hand is doing. I yield back the balance of any nuclear reactors that we will be facing in the future.

INTRODUCTION OF AMENDMENT TO FIX THE LAWLESS LOGGING RIDER

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

Ms. FURSE. Today, Mr. Speaker, we have a chance to do something that the people of this country have been asking us to do for almost a year. We have a chance to fix the infamous lawless logging rider. We will be offering a bipartisan amendment which will be called the Porter-Yates-Furse-Morella amendment. It will go a long way toward fixing that infamous rider. That rider passed with no hearings, no scientific input, in the middle of the night, stuck on another bill, and no one knew the consequences. But soon the people told us the consequences. We heard from grandmothers, Boy Scouts, fishermen, scientists, and local communities. They said the rider had been a disaster, and they were right.

Our amendment, Mr. Speaker, it not antilogging, our amendment is prologging under the law. We have been asked to trust a huge Federal bureaucracy to just do the right thing. Trust us, they say. We say, trust the law. So I hope and we hope that my colleagues will help support this amendment that will fix the lawless logging rider.

DEMAND FOR TRUST ABOUT WHITE HOUSE MISHANDLING OF FBI FILES

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

Mr. LINDER. Mr. Speaker, the Clinton administration has sunk to new depths of incompetency and unethical behavior.

The President is sending his spin machine into overdrive in a massive attempt to prove that his actions were not unethical or illegal, but simply a bureaucratic snafu.

Think about it, Mr. Speaker. This administration is making every effort possible to prove that its actions were incompetent. That is the best news that can come out of their inexcusable mishandling of these files.

Mr. Speaker, we do not need Clinton's spinmeisters to prove to us that this administration is incompetent. We need the Clinton spin doctors to prove to us that they can tell us the honest truth about just one of the Clinton scandals without changing their story on a daily basis. And we need for them to prove to us that this administration is truly sorry and willing to cooperate with us in an effort to find out why the rights of individuals could be so haphazardly violated as they were in this case.

CHURCH BURNINGS

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

Ms. MCKINNEY. Mr. Speaker, over the past few days I have spoken with people who have seen the center of their communities destroyed. When a church is burned much more is desecrated than the wood and the bricks. Churches are placed where families and friends meet, hold community events, and pray. In poor areas where people struggle to get through each day, the church is a place to ask for strength , help and perseverance.

Thankfully, despite losing their churches, these people have not lost their spirit. In DeKalb County, where I live, the predominantly white and integrated congregations affected by these cowardly acts must know that there are extremists in this country who wish to divide us. However, now more than ever, we must unite and send a clear message that their efforts to divide us will fail. They may burn our churches, but they will never destroy our spirit.

WHITE HOUSE BREACH OF CITIZENS' PRIVACY WITH FBI FILES MUST BE INVESTIGATED BY INDEPENDENT INVESTIGATOR

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

Mr. EWING. Mr. Speaker, the Clinton White House is at it again. The most recent incident, involving the breaching of privacy of nearly 500 American citizens, reaffirms a disturbing trend throughout the President's tenure in office. The background check of these American citizens, as requested by the White House, is an outrageous misuse

of power. FBI director Louis Freeh said recently, and I quote: ''The prior system of providing files to the White House relied on good faith and honor. Unfortunately, the FBI and I were victimized.''

In a recent op-ed piece in the Wall Street Journal, a veteran of 26 years with the FBI wrote: ''These allegations are more serious than anything we have seen in decades.'' The Conservative Opportunity Society knows, as every American knows, the FBI cannot investigate itself. It must be an independent investigation. Let us get at it.

MEDICAID REFORM

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

Ms. ESHOO. Mr. Speaker, last week the Committee on Commerce wrote a bill, and with it wrote a sad new chapter against children in our country. The Republicans voted down several key amendments, but I want to highlight one in particular this morning.

The bill does state that Medicaid-insured children receive periodic medical examinations. That is the good news. Today, if any medical condition is discovered during screening, it is covered by that insurance. It makes sense, right? Check kids for medical problems and treat them if they are sick. Not according to the Republicans. Their bill says children are to be examined, but there are no provisions for treatment. Imagine the situation this creates. Children will be diagnosed, but no insurance exists for treatment. Are they to get better on their own? Would any of us as parents accept this for our children?

I offered an amendment, Mr. Speaker, which restored the guarantee of treatment for children. All 23 Republicans voted against it. Those votes may have been louder than words in the committee, but I think the American people are going to screen out this policy. Our Nation's children deserve better.

MEDICARE AND TAX BREAKS

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

Mr. GENE GREEN of Texas. Mr. Speaker, I am honored to follow my colleague from Arizona because I can tell that they are more interested in election year politics than they are in balancing the budget.

Mr. Speaker, for years the Republicans have complained about Democrats being tax-and-spend liberals for causing the run-up in the budget deficit.

I submit their annual budget. The budget that was passed last week actually raised the deficit.

After 40 years in the political wilderness the Republican Party in consecutive years have shut down the Government and now passed a budget that will increase the deficit. Again I say, increase the deficit.

At the heart of their budget are cuts in Medicare and tax breaks for the wealthy. They want to cut taxes $122 billion while at the same time increasing the deficit. Maybe they need to worry about the FBI investigation. Maybe they need to worry about something other than what the folks elected us here to do, to balance the budget, provide health care for seniors, provide education for our children and to make sure our country is defended.

BLOCKING COMMONSENSE HEALTH CARE REFORMS

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

Mr. BARTLETT of Maryland. Mr. Speaker, one way to improve health care and lower costs is by taking power and influence out of the hands of bureaucrats in Washington and returning it to the American people.

A bipartisan majority in the Congress is poised to give the American people more power and control over their medical care by passing the Health Coverage Availability and Affordability Act to make health insurance portable and affordable.

This bill will free workers from the worry that if they lose or change their job they will lose their health insurance. It will provide millions of small business employees, many who now have no insurance, the option to choose innovative, affordable medical savings accounts or MSA's. It will allow tax deductions for long-term health care and it will restore dignity to dying by allowing terminally ill patients and their families to receive tax-free accelerated death benefits.

The White House and one legislator should not stand in the way and deny millions of Americans commonsense reforms including MSA's that will make health insurance more portable and affordable.

DEMOCRATS TO UNVEIL FAMILIES FIRST AGENDA

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

Mr. BONIOR. Mr. Speaker, today we saw one more reason why the American people reject Republican tax breaks for the wealthy. The New York Times reports today that the gap between the wealthy and the rest of America is now at its widest point since World War II.

The top 20 percent of Americans now earn more than the 60 percent of middle-class households combined.

People say that the wealthy work hard and deserve to be regarded. And that may be true. But does not the rest of America work hard? Do they not deserve to be rewarded, too?

We can get there. But we are not going to get there with a Republican agenda that cuts Medicare, Medicaid, education, and the environment to pay for tax breaks for the wealthy.

It is time we had a families first agenda that gives a $10,000 tax deduction to pay for college, that protects pensions, that makes health care portable, that raises the minimum wage, that invests in small business, and that helps give working families a raise.

On Sunday, Democrats across this country will unveil our families first agenda. Mr. Speaker, it is time we help families and not hurt them.

FILEGATE

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

Mr. BURTON of Indiana. Mr. Speaker, every American values his or her privacy. The people who work for this Government are no exception—408 individual Americans who worked for previous administrations, Republicans, had their files taken from the FBI, and we believe that many of them were going to be used for dirty political tricks in the future. Some people say, ''Well, it was a political mistake. The White House made a mistake.''

It was not one mistake. It was 408 individual requests. Four hundred eight. Bernie Nussbaum, the counsel to the President's name, was on each one of those requests. He said he did not know anything about it. If he did not know anything about it, who requested those files? This is not the book 1984 where Big Brother looked into every one of our lives. This is supposed to be a free democratic society. Yet 408 people had their files, which are supposed to be secret, exposed to others at the White House and many of those things were leaked to other people they should not have been leaked to. This is something that needs to be fully investigated and the FBI should not be the only one to do it.

TAX BREAKS FOR THE WEALTHY

(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, today's USA Today reported that the wealthiest 20 percent of U.S. households earned more in the early 1990's than 60 percent of households in the middle class. The New York Times reported that the gap between the most affluent Americans and everyone else was wider than it has been since World War II.

This is frightening news when you consider that the Republican budget passed in the House last week does not just increase the deficit, it also cuts Medicare to pay for tax breaks for the wealthy.

The Republican budget explicitly calls for $176 billion in tax breaks. The

leadership will say that that is less than what they asked for the year before. But what the American people do not know is that the Republicans left a loophole that allows for unnamed tax breaks to be inserted later. The chairman of the Budget Committee, JOHN KASICH, has said, and I quote, ''We expect a full complement of tax cuts. If there isn't, I will head south.''

No wonder the rich are getting richer and the poor are getting poorer.

THE NEED FOR ETHICS AND HONESTY IN GOVERNMENT

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

Mr. COX of California. Mr. Speaker, as Republicans and Democrats in this House we disagree about many things, but we should not disagree for a moment on the need for ethics and honesty in Government.

During the administration of Ronald Reagan I worked in the White House, in the counsel's office, as a senior associate counsel to the President. I was proud of the reputation that that independent office in the White House maintained as a post-Watergate creation to make sure that after Richard Nixon and the Watergate offenses, never again was a President in a position of lacking the kind of independent honest advice that was necessary to make sure that there would not be lawbreaking within the White House itself. That office has maintained its reputation in a dignified way through Presidents Ford, Carter, Reagan, and Bush.

Sadly, in this administration the opposite has been true. Most recently the deputy counsel to the President has been named in a criminal indictment as an unindicted co-conspirator. This is not a hard question. Bruce Lindsey must resign. If he refuses to do so, the President himself must demand it. We as Members of Congress interested in honesty and ethics in Government must demand it.

FAMILIES FIRST—THE AGENDA FOR THE FUTURE

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

Mrs. SCHROEDER. Mr. Speaker, today the Census Bureau tells us something that the average American already knows, and that is, according to census figures, the income disparity between the richest and the poorest in this country is bigger than ever. Bigger than ever, because we have been living under the Gingrich budget which says we must cut everybody in the middle class so the rich can get even more tax cuts, and we must continue to lift the deficit because guess who loans the money to the Government? The rich. So they are getting it both ways. It is absolutely amazing.

And what are we supposed to do? What are families supposed to do, normal families? I guess we are back to trickledown. I do not know about you, but the people in my area have been waiting for trickledown for years now, and they have not even gotten damp.

I think we have finally got to take this families first agenda that the Democrats have come up with and go out there and remind people it is the middle class that built this Government, and it is the middle class that is getting tromped on by this Government. Families first is the agenda for the future.

FILEGATE

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

Mr. CHRYSLER. Mr. Speaker, would it not be interesting to see President Clinton's secret FBI file?

It would answer a lot of questions most Americans have been wondering about for a long time.

We would see his health records, credit history, FBI background interviews, travel history, high school and college records, anti-Vietnam-war activities, and just about everything else we would want to know about his past.

Will we ever see these records? No.

Why not? Because it would be an invasion of privacy. In other words, it would be against the law.

President Clinton, do not violate the privacy of innocent citizens, if we are not allowed to see these records.

CHINA MFN MEANS DEATH OF AMERICAN JOBS

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

Mr. BROWN of Ohio. Mr. Speaker, Members of this body will soon be asked to vote on most-favored-nation trading status for China.

Mr. Speaker, this softball, this Barbie doll, and this figurine from ''Beauty and the Beast,'' are all manufactured in China with cheap labor, maybe by prison labor, maybe by child labor. Children in China making ''Beauty and the Beast'' figurines, children in China making Barbie dolls for children in America, 12-year-olds in China making softballs for 12-year-olds in America.

China has run up a huge trade surplus with the United States. By the U.S. Commerce Department's own calculation, that surplus will cost hundreds of thousands of American jobs. This deficit is growing every month and soon will exceed Japan's. The result is the death of American jobs. Hardship for American families, distress in American communities.

Mr. Speaker, China does not play by the rules. Children in China making softballs and Barbie dolls for children in America. Kill MFN.

SUPPORT FAMILIES FIRST, NOT THE GINGRICH BUDGET

(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 am extremely happy this morning that we finally have the real news that I hope America can attend to, and that is that the rich earn more than all of the middle class. Does anyone realize that there are Americans making $7,800 a year?

Maybe that will cease and desist all of the talk shows who begin to talk about those who do not want to work and those who do not want to do, and begin to understand what the Democrats are speaking about in not cutting Medicare and Medicaid, what the Democrats are speaking about in offering a new agenda for America, and that is families first, so that we can send our young people to college, so that we can keep the Pell grants, so that we can ensure that the environment is safe, and yes, so that we can increase the minimum wage for those individuals who want to take to the work rolls and not to the deadbeat rolls.

I hope that we will reject the Gingrich budget that does not put families first, and that now for once the truth will be known: The rich are getting richer and the poor, yes, are getting poorer, and the middle class are caught in between. Join us in an effort to make sure that this Congress speaks for families first and not support the Gingrich budget.

REPUBLICAN GIMMICKS HURT AMERICA

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

Mr. HILLIARD. Mr. Speaker, the right-wing radical Republicans seem to always take the side of the rich and privileged in America. They act as if they really care about America and working families and the middle class. There is no better case in point than Medicare.

The Republicans are using smoke and mirrors, political double talk, and all the gimmicks from the Nixon-Reagan school of politics. But they still would not be able to fool the American public. They know the American public really knows that the Republicans want to kill Medicare because it is the only way that they can save their Republican friends' tax cuts.

The bottom line is that Democrats want to honor the Medicare contract and the Republicans do not. The Medicare contract should be first.

□ 1030

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule: Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on the Judiciary; Committee on National Security; Committee on Resources; Committee on Science; Committee on Transportation and Infrastructure; and Committee on Veterans' Affairs.

Mr. Speaker, it is my understanding that the minority has been consulted and that there is no objection to these requests.

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

There was no objection.

PERMISSION TO OFFER ADDITIONAL AMENDMENT DURING FURTHER CONSIDERATION OF H.R. 3662, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. REGULA. Mr. Speaker, I ask unanimous consent that during the further consideration of H.R. 3662, notwithstanding the order of the House of Wednesday, June 19, 1996, the gentleman from Michigan [Mr. STUPAK] be allowed to offer an amendment regarding the Pictured Rocks National Park to be debatable for 10 minutes, equally divided.

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

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 455 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. 3662.

□ 1032

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. 3662) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997, and for other purposes, with Mr. BURTON of Indiana in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Wednesday, June 19, 1996, the bill had been read through page 80, line 4. Pending was amendment No. 28, offered by the gentleman from Vermont [Mr. SANDERS].

Pursuant to the order of the House of that day, the bill is considered read.

The text of the remainder of H.R. 3662, as amended pursuant to House Resolution 455, is as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. 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. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 304. 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. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such Committees.

SEC. 307. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the ''Buy American Act'').

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 308. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 1995.

SEC. 309. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 310. Where the actual costs of construction projects under self-determination contracts, compacts, or grants, pursuant to Public Laws 93–638, 103–413, or 100–297, are less than the estimated costs thereof, use of the resulting excess funds shall be determined by the appropriate Secretary after consultation with the tribes.

SEC. 311. Notwithstanding Public Law 103–413, quarterly payments of funds to tribes and tribal organizations under annual funding agreements pursuant to section 108 of Public Law 93–638, as amended, may be made on the first business day following the first day of a fiscal quarter.

SEC. 312. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: *Provided*, That if no funds are provided for the AmeriCorps program by the VA–HUD and Independent Agencies fiscal year 1997 appropriations bill, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 313. None of the funds made available in this Act may be used (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 314. (a) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994, and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) PROCESSING SCHEDULE.—For those applications for patents pursuant to subsection (b) which were filed with the Secretary of the Interior, prior to September 30, 1994, the Secretary of the Interior shall—

(1) Within three months of the enactment of this Act, file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a plan which details how the Department of the Interior will make a final determination as to whether or not an applicant is entitled to a patent under the general mining laws on at least 90 percent of such applications within five years of the enactment of this Act and file reports annually thereafter with the same committees detailing actions taken by the Department of the Interior to carry out such plan; and

(2) Take such actions as may be necessary to carry out such plan.

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 315. None of the funds appropriated or otherwise made available by this Act may be used for the purposes of acquiring lands in the counties of Lawrence, Monroe, or Washington, Ohio, for the Wayne National Forest.

SEC. 316. Of the funds provided to the National Endowment for the Arts:

(a) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(b) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State, regional or local group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(c) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 317. The United States Forest Service approval of Alternative site 2 (ALT 2), issued on December 6, 1993, is hereby authorized and approved and shall be deemed to be consistent with, and permissible under, the terms of Public Law 100–696 (the Arizona-Idaho Conservation Act of 1988).

SEC. 318. None of the funds made available to the Department of the Interior or the Department of Agriculture by this or any other Act may be used to issue or implement final regulations, rules, or policies pursuant to title VIII of the Alaska National Interest Lands Conservation Act to assert jurisdiction, management, or control over navigable waters transferred to the State of Alaska pursuant to the Submerged Lands Act of 1953 or the Alaska Statehood Act of 1959.

SEC. 319. No funds appropriated under this or any other Act shall be used to review or modify sourcing areas previously approved under section 490(c)(3) of the Forest Resources Conservation and Shortage Relief Act of 1990 (Public Law 101–382) or to enforce or implement Federal regulations 36 CFR part 223 promulgated on September 8, 1995. The regulations and interim rules in effect prior to September 8, 1995 (36 CFR 223.48, 36 CFR 223.87, 36 CFR 223 subpart D, 36 CFR 223 subpart F, and 36 CFR 261.6) shall remain in effect. The Secretary of Agriculture or the Secretary of the Interior shall not adopt any policies concerning Public Law 101–382 or existing regulations that would restrain domestic transportation or processing of timber from private lands or impose additional accountability requirements on any timber. The Secretary of Commerce shall extend until September 30, 1997, the order issued under section 491(b)(2)(A) of Public Law 101–382 and shall issue an order under section 491(b)(2)(B) of such law that will be effective October 1, 1997.

SEC. 320. Section 101(c) of Public Law 104–134 is amended as follows: Under the heading ''Title III—General Provisions'' amend section 315(f) by striking ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999'' and by striking ''September 30, 2001'' and inserting in lieu thereof ''September 30, 2002''.

This Act may be cited as the ''Department of the Interior and Related Agencies Appropriations Act, 1997''.

The CHAIRMAN. Pursuant to the order of the House of June 19 and earlier today, no further amendments shall be in order except the following amendments, which shall be considered read, shall not be subject to amendment or to a demand for division of the question, and shall be debatable for the time specified, equally divided and controlled by the proponent and an opponent:

An amendment by the gentleman from Vermont [Mr. SANDERS] regarding weatherization, for 20 minutes;

An amendment by the gentleman from Pennsylvania [Mr. FOX] regarding weatherization, for 10 minutes;

An amendment by the gentleman from Mississippi [Mr. PARKER] regarding weatherization, for 10 minutes;

An amendment by the gentleman from American Samoa [Mr. FALEOMAVAEGA] regarding the red squirrel, for 15 minutes;

An amendment by the gentleman from Michigan [Mr. HOEKSTRA] regarding the NEA, for 10 minutes;

An amendment by the gentleman from Arizona [Mr. SHADEGG] regarding the NEH, for 30 minutes;

An amendment by the gentleman from Wisconsin [Mr. KLUG] or another member regarding timber contracts, for 10 minutes;

An amendment by the gentleman from Oregon [Mr. DEFAZIO] regarding timber sourcing, for 10 minutes;

An amendment by the gentleman from Massachusetts [Mr. OLVER] regarding funding levels for codes and standards, for 10 minutes;

An amendment by the gentleman from California [Mr. CONDIT] regarding the Endangered Species Act, for 10 minutes;

An amendment by the gentleman from Vermont [Mr. SANDERS] regarding PILT, for 20 minutes;

An amendment by the gentlewoman from Oregon [Ms. FURSE] or the gentleman from Illinois [Mr. PORTER] regarding timber salvage, for 60 minutes;

An amendment by the gentleman from Minnesota [Mr. GUTKNECHT] regarding an across-the-board cut, for 20 minutes;

An amendment by the gentlewoman from Idaho [Mrs. CHENOWETH] regarding grizzly bears, for 10 minutes;

An amendment by the gentleman from Oklahoma [Mr. ISTOOK] regarding BIA, for 20 minutes;

An amendment by the gentleman from Illinois [Mr. YATES] regarding telecommunications, for 10 minutes; and

An amendment by the gentleman from Michigan [Mr. STUPAK] regarding Pictured Rocks National Park, for 10 minutes.

Pending is amendment No. 28 offered by the gentleman from Vermont [Mr. SANDERS].

Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Vermont [Mr. SANDERS] and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

For what purpose does the gentleman from Michigan [Mr. HOEKSTRA] rise?

Mr. HOEKSTRA. Mr. Chairman, I ask unanimous consent to call up my amendment out of order, to briefly explain that amendment and enter into a colloquy with the chairman of the subcommittee.

The CHAIRMAN. First of all, there is no order of amendments. Is the gentleman asking that his amendment be put ahead of other amendments that are currently pending?

Mr. HOEKSTRA. Yes, Mr. Chairman.

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

Mr. SANDERS. Mr. Chairman, reserving the right to object, I understand it is going to be a very short period of time, is that right?

Mr. HOEKSTRA. Mr. Chairman, if the gentleman will yield, it will be very short.

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

The CHAIRMAN. Is the gentleman from Michigan offering his amendment or just seeking time?

Mr. HOEKSTRA. Mr. Chairman, I would like to offer the amendment.

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

Mr. DICKS. Reserving the right to object, Mr. Chairman, can the gentleman explain to me what is going to happen here? This is on the NEA amendment?

Mr. HOEKSTRA. Mr. Chairman, if the gentleman will yield, this is on the NEA amendment. I will offer the amendment. I will briefly explain the amendment. I will enter into a colloquy with the chairman of the subcommittee and I will withdraw the amendment.

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

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

There was no objection.

The CHAIRMAN. Without objection, the Sanders amendment is temporarily

withdrawn and the gentleman from Michigan [Mr. HOEKSTRA] is recognized to offer his amendment.

AMENDMENT OFFERED BY MR. HOEKSTRA

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. HOEKSTRA: In the item relating to ''NATIONAL ENDOWMENT FOR THE ARTS—GRANTS AND ADMINISTRATION'', after the dollar amount, insert the following: ''(reduced by $31,500)''.

The CHAIRMAN. Pursuant to the order of the House of Wednesday June 19, 1996, the gentleman from Michigan [Mr. HOEKSTRA] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Michigan [Mr. HOEKSTRA].

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

Mr. Chairman, I thank my colleagues on the other side of the aisle for allowing me to take my amendment out of order. I will make this brief.

We have been working on a project that we call the myth of the magical bureaucracy, and it deals with what bureaucrats and the bureaucracy in Washington are being asked to do in America. They are being asked to do a number of different things. We are talking about this city. We are talking about what has happened in this city where we have Independence Avenue, which in many cases now has become Dependence Avenue. It is the avenue that is full of bureaucracy that has moved decision making away from the American people and has moved the decision powers to here in Washington.

These buildings are staffed by what in many cases we call magical bureaucrats. We call them magical bureaucrats because we are asking them to do things which they were never equipped or able in power to do. Today we are talking about a bureaucrat who we have asked to become a film maker, a film maker for the National Endowment for the Arts. The problem that we have with this film maker, this bureaucrat within the National Endowment for the Arts, of the decision-making responsibilities that they have taken from the American people and how they have made these decisions.

Specifically, we want to just highlight one example. It is called the Watermelon Woman. In 1996, after years of debate about the types of arts that were being funded by the American taxpayers, the outrage at the National Endowment for the Arts continues. This film has been described as one of the hottest, as having some of the hottest sex scenes ever recorded on celluloid.

That is not the type of decision making that we want in Washington. It is the highlight of the myth of the magical bureaucrat that magical bureaucrats in Washington know more about art than what the individual taxpayers do. The bill to the American taxpayer, the purchase price of the admission for a ticket to this movie, was $31,500.

My amendment would have been a clear signal to the National Endowment for the Arts that this has to stop. Out of a $99 million budget, $99 million of bureaucrats describing what art is in America, it would have cut and said to the NEA obviously in 1996, you had $31,500 to waste. In 1997, you are not going to get that money again.

After a colloquy with the subcommittee chairman, I will withdraw this amendment because of some other agreements and arrangements that have been made.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. HOEKSTRA. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Let me thank the gentleman at least for having certainly his right to challenge and acknowledge his concerns about the National Endowment for the Arts. Let me add my appreciation for the withdrawing of this amendment and only to say that I stand in support of the National Endowment for the Arts in its broadcast sense, in its independence and its recognition of the symphony and the ballet and the independent small arts groups that reach into the minority community.

Just a last point for the gentleman's kindness, that particular film, though I know raises many different perspectives, the Watermelon Woman was a highly acclaimed film that dealt seriously and realistically with the challenges faced by being a black woman in the entertainment industry. So I would ask indulgence to recognize the need for broad-based art and that we must consider the fact that the National Endowment for the Arts has a long-standing history in reaching to rural America, urban America and certainly to underserved Americans.

Mr. HOEKSTRA. Reclaiming my time, there is no doubt that the NEA has probably done some phenomenal things. I watched this movie, all right, 78 minutes, and I invite any of my colleagues to watch it as well. Describing this as art is using the term very, very loosely. I would not show it to my parents. I would not show it to my wife. I would not want my kids to see it. I do not think any of my friends would want to see it. And we paid for it.

Ms. JACKSON-LEE of Texas. We have had the occasion to have members of our staff review it and look at it, and I do know everything is in the eyes of the beholder. I would only offer to say that art is for those individuals in different categories, and it is received differently. I would simply say that we would have to view art in that manner protected by the first amendment. I appreciate the gentleman's assessment of that particular film, but there are other assessments of it as well.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOEKSTRA] has expired.

Mr. REGULA. Mr. Chairman, I ask unanimous consent the gentleman from Michigan [Mr. HOEKSTRA] have 3 additional minutes.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, June 19, 1996, the time is controlled.

Without objection, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 3 additional minutes.

There was no objection.

Mr. HOEKSTRA. Mr. Chairman, I yield myself such time as I may consume for the purpose of a colloquy with my subcommittee chairman. I yield to the gentleman from Ohio [Mr. REGULA], the subcommittee chairman.

Mr. REGULA. Mr. Chairman, I appreciate the fact that the gentleman is going to withdraw the amendment, and I have not seen the film. I have read descriptions of it, and I think it probably represents an abuse of discretion in using Federal funds to provide support for this.

Obviously the first amendment runs to the right to free speech, but I do not think it necessarily means that in the use of public money that you can be careless in the way in which it is expended.

I might tell the gentleman in response to his concern that in this report, the following language appears: This appropriation is consistent, we are speaking of the amount that has been appropriated for the National Endowment for the Arts, which is the same for this year as it was in 1996. This appropriation is consistent with the agreement reached on the floor of the House during debate over the fiscal year 1996 Interior appropriation bill in terms of the proposed reauthorization by the House legislative committee of jurisdiction to phase out Federal funding for the National Endowment for the Arts over a 2-year period.

The committee has provided bill language to allow funds to remain available until expended and this gives them the flexibility to close out the agency. But an agreement was reached by our leadership to terminate the agency in 2 years, and this bill reflects that agreement.

Mr. HOEKSTRA. I thank the gentleman for that clarification, based on that agreement and recognizing the expectation that that agreement will take place Mr. Chairman, I ask unanimous consent to withdraw the amendment.

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

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Michigan [Mr. HOEKSTRA] is withdrawn.

Will the gentleman from Vermont [Mr. SANDERS] reoffer his amendment?

AMENDMENT OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SANDERS: In the item relating to ''DEPARTMENT OF ENERGY—NAVAL PETROLEUM AND OIL SHALE RESERVES'', after the dollar amount, insert the following: ''(reduced by $11,764,000)''.

In the item relating to ''DEPARTMENT OF ENERGY—ENERGY CONSERVATION'', after each of the first, second, and third dollar amounts, insert the following ''(increased by $11,764,00)''.

□ 1045

The CHAIRMAN. Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Vermont [Mr. SANDERS] will be recognized for 10 minutes and the gentleman from Ohio [Mr. REGULA] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

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

Mr. Chairman, I am pleased to be offering this amendment, along with its cosponsor, the gentleman from Maine [Mr. LONGLEY]. The amendment is very simple. It transfers $11.764 million from the Naval Petroleum Reserve into the Low Income Weatherization Assistance Program. Last year the weatherization program was hit very hard and was slashed almost in half. Now this bill recommends an additional 10 percent cut on top of last year's decimating cut. Please join us in sending a message that the proposed cut is just too deep.

This is a compromise amendment. The administration requested an increase of funding to $150 million. The committee recommends $100 million. This amendment puts it at about $112 million. The amendment is supported by a broad and varied coalition, the American Public Power Association, U.S. PIRG, the Environmental Defense Fund, and the National Community Action Foundation.

Weatherization funds save money. That is the important point to make. It is a very cost-effective program. Weatherization funds help pay for updating decrepit heating and cooling systems. identifying deadly carbon monoxide leaks and faulty fuel systems, insulating drafty homes, and educating homeowners on energy efficiency. Weatherization funds save money. It is a good, cost-effective investment.

Mr. Chairman, virtually every State in the Nation benefits from the weatherization program. Colder States like Vermont, Maine, and Wisconsin, where the weather gets 20 below zero, we save money and help our people; and warmer States like Louisiana and California and every place else in between also save money through the weatherization program.

Mr. Chairman, I am seriously concerned about the magnitude of cuts to low-income energy assistance. LIHEAP and weatherization have both been under attack. The sad fact is that many hard-working, low-income families and the elderly, many, many elderly people, utilize these programs very effectively. Many of these people simply cannot afford to pay their energy bills and certainly cannot afford to pay for insulation or the needed repairs on their homes. These funds are particularly important to the elderly, whose more fragile health often cannot tolerate extreme temperature changes.

Let me say a few words about the Naval Petroleum Reserve. The NPR's operating funds go to running three oil fields which are jointly operated by the Government and Chevron. The productivity of these fields has been steadily declining since its peak in 1976. The President earmarked the NPR for sale in fiscal year 1997, indicating, ''Producing oil and gas is a commercial, not a governmental activity, which is more appropriately performed by the private sector.''

That is something that many of my friends on the other side I am sure agree with. Congress apparently agreed, because it passed legislation authorizing the sale of NPR by 1998. The budget resolution that we recently passed recommends that the sale occur as soon as possible.

Mr. Chairman, this is a very important amendment. There are millions of people in this country who simply do not have the resources to keep warm in the wintertime. They need help. Taking the money from the NPR is a good way to do that.

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

Mr. REGULA. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. THOMAS].

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

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

Mr. Chairman, I am not here to speak to the merits of weatherization or where the gentleman from Vermont wants to spend his money. I believe the chairman of the subcommittee may have some remarks directed to the weatherization programs. Rather, I want to focus on where the gentleman gets his money from.

Ever since I have been in Congress, I have represented Naval Petroleum Reserve No. 1 at Elk Hills. Since the mid–1970's, on order of then President Ford, the Naval Petroleum Reserve has been producing petroleum at the maximum efficient rate. That is, the Government has been trying to run it like a private oil field.

For years, beginning with the Reagan administration, there was suggestion that we sell Elk Hills, since we are producing it as though it were a private operation. We said then that we wanted to make sure that the taxpayers got the maximum benefit of selling this very important natural resource, and that it be sold, because we can maximize the removal of petroleum from the reserve if it is coordinated with all of the private sector holdings surrounding Elk Hills.

With the assistance of, in one of the better bipartisan efforts in the 104th Congress, the two gentlemen from Virginia, Mr. BATEMAN and Mr. SISISKY, we put together a procedure for selling Elk Hills. It calls on experts, a maximum of five, to determine the value. There is a procedure that we are going to go through that we all believe will produce the maximum dollar to the taxpayer in the selling of this asset.

There is a timeline we are operating under, and we have already cut from the 1995 level $43 million, almost 25 percent of the total budget. It is the additional $11 million that concerns us about our ability to maximize for the taxpayers the dollars in the sale of Elk Hills.

I have told you I have represented Elk Hills, and some folks may think I would be giving less than an objective view in analyzing what this amendment would do. Therefore, I would like to read to you from a Department of energy letter than I received late last night, signed by the Assistant Secretary for Fossil Energy. This is the Clinton administration addressing the Sanders amendment.

''The Sanders amendment would severely compromise the prospects for obtaining an appropriate sales price,'' The letter says.

''The proposed $11 million reduction would eliminate new drilling activity in fiscal year 1997. That would produce $14 million in reduced revenue in 1997 alone, and $31 million in reduced revenue in 1998.''

Now, let us say that you go ahead and spend that money for production, and, if you do, the Department chooses then to continue drilling at the field to preserve production. The letter says it will have to take the cut from other activities at the field, such as environmental compliance. If the field is not within its environmental compliance guidelines, it will be of less value to a purchaser.

In short, the letter says, the proposed funding reduction would have a cascading effect. The American taxpayers lose now in terms of revenues to the Government, and they would lose later in terms of the proceeds that go to the Federal treasury when this field is old.

In the old English saying, penny-wise and pound-foolish, the $11 million removed from the Naval Petroleum Reserve is a classic example of that. Again, not speaking to the merits of weatherization, the administration agrees with me that taking $11 million out of the Naval Petroleum Reserve costs the taxpayers immediately next year $14 million, $31 million in 1998, and untold millions to the taxpayers in sprucing up this property, getting it ready for a final sale.

I would tell the gentleman from Vermont that others could speak to the merits of the weatherization, but as far as where he gets his funding, I hope the House, if he proposes to offer this for a vote, would soundly reject the source for his funding.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER.]

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

Mr. Chairman, I rise in strong support of the amendment by my colleague from Vermont, Mr. SANDERS, which would increase funding for the weatherization program. This bill's cut in the weatherization program does not seem so bad at first glance. It proposes an 11 percent cut from last year. That is $12 million, from $112 million to $100 million.

But we have to go back and look at the program as it was in fiscal year 1995, when it was $215 million. So it already took a 48-percent cut in going from 1995 to 1996. Now you add another $12 million, 11 percent on top of that. That is quite enough. That is much more than a fair share of cuts for a very important program.

Low-income households in Massachusetts depend heavily upon weatherization. More than 1,700 families get weatherization in my State, and these are working families. These are low-income working families and low-income elderly families. If the program is funded at $100 million, there are going to be hundreds of homes that cannot be weatherized, and 90 percent of those households have incomes of less than $15,000 a year. Proper weatherization of these homes saves these families an average of $300 per year, and that is real money in the hands and pockets of very needy people.

The weatherization is a successful energy conservation program. The money spent pays for itself within 6 or 7 years, and from that time on every penny is pure savings that goes into the pockets of low-income elders and families in those communities.

In addition, this program complements the low-income home heating assistance program, the LIHEAP program, where LIHEAP provides energy to low-income households and weatherization conserves energy in those very same households.

So I urge my colleagues to support this weatherization and support the Sanders amendment.

Mr. REGULA. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Ohio is recognized for 5½ minutes.

Mr. REGULA. Mr. Chairman, I hope that as you evaluate both this amendment and the amendment by the gentleman from Mississippi [Mr. PARKER], that you give some thought to the importance of these two amendments to national policy. Weatherization is popular. It is popular with the people who get to do the jobs, to do the weatherizing, it is popular with the State administrators who get to parcel out the money, because this weatherization money goes out to the State and the State bureaucracy gets the pleasure of handing out our Federal dollars.

So it is popular, and it is billed as an environmental vote. But let me give you the downside of all of this. In the case of the Parker amendment on weatherization, it is going to hit the research that is being done in conservation of fuel. That has got to be popular, too, with the environmental groups. The technologies being developed will reduce pollution. It will give us fuel efficiency. It will clean up air. It will make our automobiles more fuel efficient and environmentally benign. Part of that money goes to develop a new generation of fuel-efficient automobiles, in partnership with the auto industry, and they are spending far more dollars than we are. It will give us turbines that are a lot more fuel efficient.

Do you want to trade those off for putting some storm doors on properties? Long term, the conservation research program will be far more beneficial, in terms of impact on all of the American people, as opposed to a handful that benefit from weatherization. I know it is popular, but we are talking about national public policy, and we should be thinking long term.

Now, the amendment that is before us right now takes the money out of the Naval Petroleum Reserve. We have decided to sell it. Well, if you are going to sell the house, you do not let the boiler and the electrical system deteriorate. You take care of the house until you sell it. That is what we are talking about here. If we take this money out of the Naval Petroleum Reserve, they will not be able to manage that property efficiently, and it will result in a loss of perhaps $1 billion in the sale of this very, very valuable property.

Is that good management? No way. Keep in mind, we are the Board of Directors of the USA, and we have to make decisions that are important in terms of management of our resources, for all the people.

I do not want the taxpayers of this Nation to be deprived of a possible $1 billion from the sale of the Naval Petroleum Reserve because we, here to get an environmental vote, decided to take the money out of that for weatherization for the next 12 months. Keep in mind that we need to take care of this property. We do not have a lot in here. We have the minimal amount to manage that property well until it is put up for sale, a sale that was determined by this Congress should be made.

So I think in both of these amendments we are running the risk of very bad policy, one on Parker in the case of conservation research. We have already taken a big cut out of it. We should not take more or we are going to damage a lot of very important programs to the people of the United States. In the case of the Sanders amendment, we are going to potentially reduce the value of the Naval Petroleum Reserve when we sell it in the near future by many millions of dollars.

□ 1100

Bad public policy. I know it has a great appeal to go home and say, I voted to put storm windows in for somebody or insulate the roof. That is all fine, and we already have $100 million in this bill. It is not as if we shortchanged weatherization; but to dump more money in it and, at the same time, get bad public policy, would be damaging to the long-term effort to develop fuel efficiency, to become independent of other countries. We are already getting half of our petroleum from overseas.

This Congress may in the future have to vote again to send our military people around the world to protect our oil supplies. Members should think about that when they vote on the Parker amendment, and think about the potential loss of value on the Naval Petroleum Reserve when they vote on the Sanders amendment. These will be coming up. They are rolled, and therefore, both of them, each in its own way, has a real downside.

I recognize, of course, the political appeal on weatherization. The administration said they strongly support weatherization but not at the expense of other energy programs. Let me say again, we have taken a real hit on energy. Let us not exacerbate the problem by voting for either of these amendments.

Let me urge all my colleagues to vote ''no'' on both of the weatherization amendments.

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

Mr. SANDERS. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise to support my colleague, the gentleman from Vermont [Mr. SANDERS], in his amendment.

Interestingly enough, he comes from way north and I come from the State of Texas. Weatherization programs start and begin with saving lives, and I appreciate my colleague's discussion of opposition on the value of national policy, but I do think it is important to emphasize a national policy of saving lives and, as well, ensuring that corrective measures are taken to provide heat in the winter and cooling in the summer.

Most of the weatherization dollars go into older communities, with older housing stock that, in fact, do not have the wherewithal to secure environmentally safe heating facilities as well as environmentally safe cooling facilities. Do we want to wait and see another long and harsh winter result in the terrible deaths that we saw in Chicago a few short years ago; or the terrible heat loss in my community a few short years ago as well?

This is an effective, fiscally responsible amendment. We should draw together and make sure we support the weatherization program in the best way possible to save lives.

Mr. SANDERS. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. OBERSTAR].

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

Mr. OBERSTAR. Mr. Chairman, 10,000 years ago the last glacier retreated from the North American continent, but every fall it stages a comeback and this year it lasted well into May, when we had 36 inches of ice still on the border lakes in my district with temperatures driven down to 60 below zero.

I want to say to my good friend from Ohio, who casually talked about this money going to some bureaucracy, this money goes to real people, people who are old and poor and hurt in the cold weather of northern Minnesota. If the gentleman thinks that is fun, try living up there on $600 a month in a poorly insulated house when an individual has to choose between eating or heating.

I resent it. This program has been cut from $900 million in 1981 to a bare $100 million today. The gentleman talks about saving some Elk Hills Oil Petroleum Reserve and some national policy. National policy is people, people who are old and poor and who deserve to be helped, who deserve to have something better than a miserably cold winter and the choice of heating, eating, or suffering to death. We should not have that kind of choice in this society, and this is a paltry amount to be shifting into this program of weatherization and home heating assistance.

When we weatherize the home, we cut the heating assistance by 15 percent. We should support this amendment.

Mr. SANDERS. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in support of the Sanders amendment, which will provide additional funding to the low-income weatherization program.

It is my understanding with regard to the NPR that the private industry sources say that they can cut operating costs between $30 and $40 million. So this $11 million is indeed a paltry sum, as my colleague from Minnesota has talked about. This is not going to break the NPR. It is just not going to do that; that is a fallacy.

The weatherization program provides essential energy assistance, and it provides that in my State of Connecticut to the working poor, to the elderly, to the disabled, to low-income individuals. Without this help, many residents could not afford to heat their homes through the winter, and it gets cold in the State of Connecticut.

Weatherization projects protect the homes from elements and make them more energy efficient. It reduces the costs for these individuals and their families. Last year's support for the weatherization program took a big hit from its regular funding level, and despite the President's request to raise funding of this program to $150 million in 1997, this bill would slash weatherization by 60 percent from 1995 levels.

Let us pass the Sanders amendment, let us help working families.

Mr. SANDERS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, I am not surprised that some bureaucrat in the Energy Department, who is in charge of the Strategic Petroleum Reserve, would object to having a little money taken out of their program. That does not come as a surprise to me. The question is whether or not we ought to be spending that money a little more wisely.

I think that the amendment of the gentleman from Vermont [Mr. SANDERS] will provide us with the opportunity to do precisely that, spend that money a little bit more wisely. This money would take money out of that Naval Petroleum Reserve and put it into weatherization. For every dollar we spend on this weatherization program, we realize about $1.62 in savings. This saves energy by weatherizing homes.

Of course, on the humanitarian level, which I think is even more critically important, it saves lives. It allows people who are living in cold climates and in uncomfortable conditions to live more comfortably by weatherizing their homes, and also increases their personal security thereby.

So in spite of the fact that someone who is in charge of this particular money now might object to having it go someplace else, I think it is in the best interests of the people of the country to take a little money out of NPR, put it into weatherization and thereby provide a lot more comfort and save some energy for this country.

Mr. SANDERS. Mr. Chairman, I yield 30 seconds to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I will never forget running into a woman in Stevens Point in my district. She was about 90 years old. The only thing that kept her going was the fact that she was living in a home that was built for her by her husband as a wedding present when she was 22 years old.

She lived in a living room, a kitchen, and a bathroom. Everything else was boarded up. She slept on an old, beat-up couch. It was the weatherization program that made it possible for that woman to have some meaning in her life. For us to take that away, we ought to be ashamed of ourselves.

This amendment should pass. It is about time we put people ahead of theory. It is about time we put people ahead of nickles.

Mr. DOOLEY. Mr. Chairman, I ask unanimous consent that each side have 1 additional minute.

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

There was no objection.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. Mr. Chairman, I rise in strong opposition to this amendment. Some of the prior speakers have said that they could understand why a Department of Energy bureaucrat would object to the cut of a little money. The bottom line is, there has already been $43 million cut out of this budget. That is 23 percent below 1995.

That Department of Energy official maybe made a wise decision. They made a determination that by making this additional $11 million in cuts it is going to reduce the value of a government asset that we are committing to sell. Tell me what businessperson in America would make a decision that would result in the diminishing of the economic value of an asset that they know that they are going to dispose of in the future.

That is the issue at hand here, that we might be finding $11 million additional to go for heating assistance this year, but next year and the following year, when we have seen the diminishing of the value and fewer dollars that are going to be available for any program, we will have even greater difficulty in providing for some of these needs.

Vote ''no'' on this amendment. It is a poor decision.

Mr. SANDERS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would remind my friend that Chevron has stated that it could cut operating costs by a minimum of $30 to $40 million and extend its producing life, which would ultimately boost revenues.

Most importantly, Mr. Chairman, what we are talking about is that in this great country, the United States of America, there are millions of people who face cold in the wintertime. This is not a question of putting storm windows on; this is a question of maintaining a shred of dignity for low-income senior citizens who just do not have enough money to keep their homes warm and who are living in houses where all of the warmth is running out of deteriorating roofs and walls.

What kind of society are we when we cannot take care of and keep warm the weakest and most vulnerable amongst us? We are talking about $11 million, that is all we are talking about, to keep people warm in America, to keep people from dying in Chicago when the weather there goes above 100 degrees. I do not think that is asking too much.

Mrs. KENNELLY. Mr. Chairman, I rise in support of the Sanders amendment to increase funding for the Low-Income Weatherization Program.

Everyone in this body agrees that Government works best when it helps people solve problems in a cost-effective, commonsense way. Low-income weatherization does that—helping people to conserve energy and preserve their limited incomes.

Because of weatherization, millions of American families do not have to choose between

paying high energy bills and paying for food and shelter. This program is particularly important to Connecticut, which has some of the highest heating costs in the Nation. For people in my State, weatherization is proof that Government can make a positive difference in people's lives.

The Sanders amendment correctly recognizes that any national energy policy must ensure that families are not forced to use more energy than they need or can afford. And by keeping weatherization at last year's levels, this amendment rightfully reflects the difficult funding climate in which we operate.

When we are debating a $12 billion bill, $12 million may not sound like a lot of money. But to the families in Connecticut who will benefit from weatherization, this extra funding is precisely the support they need.

I urge my colleagues to support the Sanders amendment to restore funding for weatherization.

Mr. TORKILDSEN. Mr. Chairman, I rise in strong support of the Sanders-Longley amendment to restore much-needed weatherization assistance funds.

My constituents in northeastern Massachusetts and elsewhere in New England suffer from brutal winters that sap household budgets, as they seek to adequately heat their homes.

Two programs help keep low-income homes warm during these months, LIHEAP and the Weatherization Assistance Program. Both have proven to save not only energy dollars, but public health dollars. Studies continue to show that low-imcome people, particularly the elderly, will sacrifice food and other necessities to heat their homes in the winter. The average income of those receiving weatherization assistance is $7,641.

This amendment is not asking for an increase—just level funding. In exchange, families in my district are able to remain self-sufficient, keeping them off public assistance, out of hospital emergency rooms and working at their jobs. In an era of shrinking Federal dollars, LIHEAP and the Weatherization Assistance Program are cost-effective prevention programs that deserve our continued support.

I urge my colleagues to support the Sanders-Longley 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, and pending that, I make a point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 455, further proceedings on the amendment offered by the gentleman from Vermont [Mr. SANDERS] will be postponed.

The point of no quorum is considered withdrawn.

Are there further amendments?

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

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

There was no objection.

Mr. YATES. Mr. Chairman, I take this time in order to have a colloquy with my good friend, the chairman of the committee, with respect to a telecommunications issue in our bill.

The gentleman will recall that I offered an amendment in committee in an effort to make sure that the huge antennas which are necessary for telecommunications would not be constructed in national parks, wildlife refuges, or national forests or places where the public finds enjoyment.

I planned to reoffer this amendment today but, in the interest of time, I will not offer that amendment if I can have the assurance of the chairman that language will be placed in the statement of the managers for this bill directing the Department of the Interior and the Forest Service to promulgate rules assuring public comment on the placement of telecommunications devices on park, refuge, and Forest Service land. Will the chairman agree to that?

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

Mr. YATES. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, it is my understanding that this language would not be inconsistent with the telecommunications bill; that there is a provision for public comment, and I think that we should have language in the statement of managers that reinforces what I have been advised is part of that bill.

I think what the gentleman is talking about is very important, because these facilities can be placed on our public lands, parks, and forests, grazing lands, wherever Fish and Wildlife facilities are, and I think allowing for public comment ensures that it will not be detrimental to the public's right to use those facilities.

I would certainly think we would consider that in conference.

Mr. YATES. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. SHADEGG

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SHADEGG: In the item relating to ''OTHER RELATED AGENCIES—NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES—NATIONAL ENDOWMENT FOR THE HUMANITIES—GRANTS AND ADMINISTRATION''. strike ''$92,994,000'' and insert ''$80,000,000, of which at least $28,000,000 be used for state grants.''

The CHAIRMAN. Is there a Member who wishes to be recognized in opposition to the amendment?

Mr. YATES. Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Arizona [Mr. SHADEGG] will be recognized for 15 minutes and the gentleman from Illinois [Mr. YATES] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Arizona [Mr. SHADEGG].

□ 1115

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

Last year this Congress made a commitment to fulfill its obligation to balance the Federal budget. We face a $5.2 trillion debt and a $153 billion deficit. Our commitment was to reduce the subsidy that we provide to the National Endowment for the Arts and the National Endowment for the Humanities. I rise to offer an amendment which fulfills that commitment.

Last year former Secretary of Education Bill Bennett testified before this Congress that we should eliminate the funding for the National Endowment for the Humanities. And former Secretary Lynne Cheney, who headed the National Endowment for the Humanities, also has called for an ending of this Federal subsidy of the humanities.

Many Members of this Congress, Mr. Chairman, campaigned on a promise to balance the Federal budget and to end spending in areas where we cannot afford to continue to spend. As worthy as support of the humanities may be, and this is not about that issue, we simply can no longer afford to continue to subsidize the humanities.

My amendment takes a modest step in that direction. It fulfills the promise we made last year. The bill before us makes a mere 5 percent cut in the funding for National Endowment for the Humanities. At that rate, Mr. Chairman, it will take us 19 years to fulfill our promise to end the subsidy to the National Endowment for the Humanities. Instead of doing that, this amendment offers an increase in that figure. It is a 12-percent reduction in the funding and the subsidy by the Federal Government to the National Endowment for the Humanities. The current subsidy is $110.5 million a year. The bill would reduce that by a mere $6 million a year, taking the figure to $104.25 million. That is a reduction of only, as I said, 5 percent. Instead of that, I suggested we make more progress on fulfilling our promise to phase out this Federal subsidy of the humanities. We cannot achieve it at the pace we are pursuing. Therefore, this amendment cuts $12.9 million.

It is important, Mr. Chairman, to note that this cut of $12.9 million is taken from administration and grants, but is not, Mr. Chairman, taken from State grants. That is, it would come totally out of the Federal portion and would not reduce the amount of the subsidy which the Federal Government provides to the various States for the humanities.

This is a modest proposal which, I suggest, Mr. Chairman, is desperately needed. It fulfills a promise we made to the American people to end the subsidization of the humanities.

I might point out, Mr. Chairman, that during the debate last year, the concern was that the money would not be there to support the humanities if the Federal Government did not do that. In fact, the facts are quite to the contrary. Just within the last few months, Philanthropy News Digest has reported more than $50 million given

by foundations to support the humanities in America.

Mr. Chairman, the debate is not about the importance of the humanities to our culture. The debate is about whether or not we can afford to continue to subsidize at the Federal level the National Endowment for the Humanities when the private sector is clearly fulfilling that obligation.

I urge my colleagues to join me and to support this modest amendment to keep our promise, the promise agreed to that we would phase out funding for the National Endowment for the Humanities, that is, the Federal subsidy, over a period of 3 years.

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

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

Mr. Chairman, the gentleman is entirely wrong in connection with his assertions about the lack of importance of the National Endowment for the Humanities in our Government and in our social structure.

Cutting the NEH is the wrong place to balance the budget, may I say to the gentleman. I would also say to the gentleman that the agreement that was reached last year by the leaders of his party was with respect to the National Endowment for the Arts. There was no agreement which looked to the elimination of the National Endowment for the Humanities.

I have checked that very closely in the CONGRESSIONAL RECORD with Members who were at the formation of that agreement in the meeting by the leadership of the gentleman's committee. They inform me that their agreement was limited to the National Endowment for the Arts.

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

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

Mr. SHADEGG. Mr. Chairman, you are quite correct. No formal agreement was instituted between the parties on precisely how we would phase out.

Mr. YATES. Mr. Chairman, not between the parties, within the gentleman's own party. And there was no agreement with the Democratic Party.

Mr. SHADEGG. Mr. Chairman, if the gentleman will continue to yield, the reference I make is to the fact that many members of this committee, in opposing the Chabot amendment last year, which would have zeroed the funding for the National Endowment for the Humanities, took to the floor and said they supported the position of phasing out the funding over a 3-year period. I have their testimony here from that debate a year ago.

Those committee members stood and said, I agree, we should phase it out over 3 years, I can read the gentleman their testimony, and on that basis oppose the elimination over a 1-year period. For that reason my amendment simply proposes to keep pace with a phaseout over three years and not to eliminate in 1 year.

Mr. YATES. Mr. Chairman, will the gentleman respond to my question. Where is the agreement? This is a statement by Members during the course of the debate indicating they were opposed to the continuation of the National Endowment for the Humanities. That figures. There are a number of Members of the House who are opposed to it.

But I would point out to the gentleman that with respect to his amendment and the amendment offered last year by the gentleman from Ohio [Mr. CHABOT], who sought to eliminate the humanities in its entirety, that this amendment was voted down by the House.

I suggest to the gentleman that the reason for that is because the majority of the House, in both parties, believes that the humanities is a necessary part, not only of our Government but of our social structure. It is the leader of the culture, if my colleague will permit me to use that phrase, for the study of the past.

I do not know that the gentleman has studied the works of the National Endowment for the Humanities. It is an organization that I think has a very necessary purpose. It trains teachers in history and other social studies during the summer. Over 400,000 students in the country received the benefit of the training that those teachers have received.

The National Endowment for the Humanities is the leader in the effort made by practically every university in the country and every library in the country to save our very valuable books and newspapers, which are in danger of dying as a result of the deterioration of the paper upon which they are printed.

The humanities is the leader in the formation of studies of the projects, of the papers of George Washington, the papers of Thomas Jefferson, of Benjamin Franklin, of Adams, of Madison, of Ulysses S. Grant, of Eisenhower, of Thomas Edison.

So I say to the gentleman that I would think it would be catastrophic, and I use that word deliberately, I think it would be catastrophic to the best interests of education in our country if the humanities were to be cut further by the gentleman's amendment.

The humanities was cut by 36 percent last year. We were cognizant of that in our committee when we established the level of appropriation for the humanities this year. I would hope that the gentleman's amendment does not succeed.

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

Mr. SHADEGG. Mr. Chairman, I yield 3 minutes to the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Chairman, I thank the gentleman from Arizona for yielding me the time.

Mr. Chairman, the National Endowment for the Humanities, although initially started with well-intentioned goals, has become an agency that caters to the liberal, academic elitists and to that end it wastes taxpayers' money.

Lynne Cheney, former chairman of the National Endowment for the Humanities under Presidents Reagan and Bush, has stated that the NEH has become a political haven for the liberal and social elite by funding studies that instead of searching for academic excellence, they explore liberal social engineering.

I think that it is a worthy cause to study the papers of George Washington and other great founders and great people of this country, but I have to point out to the gentleman from Illinois [Mr. YATES] that George Washington's home, Mount Vernon, is operated completely under private auspices. The Government is not involved in Mount Vernon. It attracts innumerable visitors every year.

Aside from the solid constitutional arguments against congressional authority to fund such agencies and the mere question, is this a proper function of the Federal Government to involve itself in, it totally unreasonable to expect the American taxpayer to pay for studies with little or no practical application. We all must remember that the Federal Government should not be in the business of funding those who wish to promote a certain agenda.

However, the NEH has ignored this point by approving grants for programs such as a $34,000 study of the representation of gender and sexuality in opera and the $4.9 million program of Chairman Sheldon Hackney's pet project entitled, ''A National Conversation on American Pluralism and Diversity.''

Mr. Chairman, with the median family income in this country of $40,000 and the median family income in the upper reaches of my district of only $19,000 and with out children facing a massive debt in the future, how can we, in good conscience, justify spending money on studies in which the only purpose is a Federal feel good agenda?

We simply cannot do that, Mr. Chairman. The NEH clearly needs to be sent a message. This amendment will do just that.

Let us follow the leadership of Lynne Cheney and tell the NEH, if they cannot responsibly spend taxpayer money, then they should know that this type of behavior will not be tolerated. I urge a ''yes'' vote on this amendment.

Mr. YATES. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for the time.

Mr. Chairman, we are being sold a basic intellectual fallacy in the gentleman's argument this morning, that because private philanthropy is doing a lot, we should assume that it can do it all. That does not follow.

What really is at issue in this amendment, which by its own author's description is merely the next step down

the road to eliminating the National Endowment for the Humanities, is the absurd proposition that this great Nation of ours will commit cultural suicide, that we will completely eliminate Federal support for one of the most fundamental needs of an informed democratic society, which is to understand its past.

If that has no practical application, God help us. If we really propose to enter the next century having burned the records almost literally by not attending to their preservation, where are our roots? Where is our grasp of the ideas that are important to this land? That is what is at stake here. Are we going to take the next step to divorce ourselves from the heritage of ideas on which the Nation is built and must grow?

It makes absolutely no sense to talk about practicality here. If it did, why fund the National Science Foundation in basic research? The programs at NEA are the basic research ingredients of the ability of the American people to know where they have come from and, in knowing where they have come from, to have a better idea of where we should be headed. To intentionally, consciously, deliberately, knowingly try to undermine that core need of any civilization, should shock our sense of what is right, our sense of values about our country.

Now, I am delighted at the willingness of private philanthropy to do a little bit more, but no one should be under any illusion that the kinds of things that the National Endowment for the Humanities has as its core responsibility can possibly be undertaken by private philanthropy in this country.

As the gentleman from Illinois has pointed out, the preservation of the records of the country, our newspapers, our books, the bringing together of the papers of the founders and the leaders of our country, politically, culturally, scientifically, this is what this is about.

□ 1130

Mr. Chairman, for us to go further, we should be adding funds for the Endowment. We are impoverished in this country in our ability to really understand what this civilization, what this great Nation, is about. We are not overfunded. We see that every day in our lives in our districts where there is less and less interest and attention being paid to the ongoing public business of America, in part because we do not understand how we got here.

Mr. Chairman, let us not make that problem worse. Defeat this ill-conceived amendment.

Mr. SHADEGG. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I think the testimony of the last speaker points out a fundamental disagreement. His premise is that without government funding of this National Endowment, we will forget our history and we will forget our ideas. That is simply wrong, and it is a fundamental disagreement between this side and that side.

I would remind the gentleman that before 1965, when the National Endowment for the Humanities was established, we were not forgetting our ideas or our history, nor were we underfunding the research in those areas. I suggest the gentleman's assertion that we need to do this in the Federal Government is simply wrong.

Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. REGULA], the chairman of the subcommittee.

Mr. REGULA. Mr. Chairman, I simply rise to point out to our colleagues on our side of the aisle that I have received a letter from 31 of the Republican Members supporting the $110 million that is in the bill, and I think in fairness we just want to make that information known to the Members on our side.

Mr. YATES. Mr. Chairman, I yield myself 1 minute in order to read to the gentleman from Arizona [Mr. SHADEGG] and to the gentlewoman from Idaho [Mrs. CHENOWETH] a statement that was made by Bill Bennett when he was chairman of the National Endowment for the Humanities. He said this:

> I would say the same Founding Fathers, although they did not have or sponsor a National Endowment for the Humanities, would support the notion of a modest endowment that truly recognized the importance of the humanities to national life. James Madison says that he sees the vision of the future as that of learning and liberty leaning on each other. Learned institutions are the favorite objects of free people, says Madison. That is the justification I want to go back to: An endowment that really does help its citizenry appreciate the intellectual roots of this country, that fosters creativity, imagination, critical thinking about issues that matter, that brings them to an appreciation of art, literature, philosophy. That does have a place in Federal Government and a modest role. It has to do its job. It can't be sloppy. But if it takes its responsibilities seriously, it is well worth supporting, because that is one of the sources of our strength as a Nation, and a Nation, and a source of great pride.

That was the statement by Bill Bennett while he was chairman of the Endowment. He did change his mind when he was out of office and the Democrats were in control, I would say to the gentleman.

Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I want to rise in strong opposition. I have been a strong supporter of the humanities. This is one of those programs where basically most of the activity occurs out at the State level, and we thought the new majority party was interested in restoring power and restoring programs to our local areas, and if we cannot spend this small amount of money compared to what other countries spend, on our history, our civilization, our culture; I mean I think it is just a tremendous mistake.

So I would urge my colleagues to vote against this amendment, to support the money in the bill which is there for humantities, and to support the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA]. I think we have worked out a good agreement.

I do not like the cut that has been made thus far. I think it is too severe. But, please, do not adopt this amendment.

Mr. SHADEGG. Perhaps the gentleman was absent from the floor and does not understand the amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. HOSTETTLER].

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

Mr. HOSTETTLER. Mr. Chairman, I rise today on behalf of all of the people in my district who repeatedly are left scratching their heads over some of the ridiculous things the Federal Government spends their tax dollars on.

I am talking about the National Endowment for Humanities and I am in support of the gentleman's amendment. Mr. Chairman, how, when faced with a $5 trillion national debt that continues to grow, can we continue to spend money on projects like these:

Sex and gender in the middle ages, 1150–1450. This course received $135,000. Let me give a free lesson here and save the money—there were men—and there were women. The fact that we are here today lets us assume some of them had conjugal relations.

Representation of gender and sexuality in opera. This course received $34,000. There's another hint: The sopranos are usually women. The bass voices are men—no charge.

Here is another example of NEH handiwork. The organization decided to grant taxpayer dollars to fund a proposal by the National Center for History in the Schools. Here is some of what this proposal, which is part of Goals 2000, does:

It has plenty of references to Madonna and MTV, but leaves out any mention of George Washington, D-day, the Moon landing and the Gettysburg Address. Diversity is the main theme of the standards, while liberty and prosperity are not even mentioned.

A few years back, Madonna stayed in Evansville, which is in my district. She was filming ''A League of Their Own.'' Madonna decided to repay the city's hospitality by criticizing it apparently because it was not racy enough for her tastes. Not only does Madonna insult Evansville, she insults all standards of decency and good taste. Yet this NEH proposal mentions her more than George Washington. Historical standards that elevate Madonna over Thomas Edison present an inaccurate and distorted characterization of U.S. history. She should not be promoted at taxpayer expense, let alone at the expense of Thomas Jefferson, Albert Einstein, and Paul Revere.

Our children deserve standards that instill in them a sense of their country's unique place in history, both as a

model of freedom aspired to by peoples around the world and as a magnet for those seeking freedom and prosperity. There is nothing wrong with learning about mistakes of the past, but these standards would do nothing more than establish a revisionist history. And that is what the NEH is pushing, a revisionist ''I am sorry for being American'' world view. That is not what the taxpayers of this country want. We should do away with this liberal icon, dedicated to the proposition of promoting shallow pop culture and political correctness to the exclusion of substantive, foundational American history.

Mr. Chairman, I do not doubt that these topics are of interest to some people, and I don't mean to belittle their academic interest, but this is the entire point. The means to determine the merit of such things is entirely subjective, so you have a situation where you are guaranteed to be spending taxpayer dollars on things that huge numbers of taxpayers want nothing to do with. When we have to make the tough decisions about how to deal with a more than $5 trillion national debt, we had better be able to see that places like this are where we must start. There are so many private foundations and other private donors who give money for worthy causes. If no one can be found who thinks a particular project is worthwhile, why should the U.S. taxpayer then have to pay for it? We need to be fiscally responsible. We need to balance the budget.

Mr. SHADEGG. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. CHABOT].

Mr. CHABOT. Mr. Chairman, I rise in strong support of the amendment offered by my friend from Arizona, Mr. SHADEGG. It is consistent with the assurances given during last year's debate that we will take the appropriate steps to phase out taxpayer funding in the National Endowment for the Humanities over a 3–year period. The rather modest reduction proposed in the bill does not appear to be consistent with that assurance that this would be phased out over 3 years.

During last year's consideration of the Interior appropriation bill, I had offered an amendment that would have zeroed out funding for the NEH, but a lot of Members did not support that with an assurance that this would be phased out in 3 years, and that 3-year phaseout seems to be, at best, stalled, and that is one of the reasons we should support Mr. SHADEGG'S amendment.

Mr. Chairman, let us take a look at the National Endowment for the Humanities, and I am not going to argue that it does not do anything that is good, but there are an awful lot of wasteful things done with the American people's tax dollars. It is important to note some of the things.

For example, who can forget the Endowment's $1.7 million national conversation kit designed to teach Americans how to talk to one another? That was a kit that encouraged all of us to watch this little known movie called ''Casablanca.'' It was a good movie, but most of us had figured out long before the NEH told us about it that ''Casablanca'' was a good movie.

And how about the $135,000 handout to a couple of dozen college professors so that they could take a summer trip to Chicago to talk about sex and gender in the middle ages?

Or that $400,000 grant to a UCLA academic who produced something called the Art of Being Cuna, which I am told is an expressive culture of some islands down in Panama? Fine. But do not take the money out of the hardworking pockets of the American people and the people of my district in Cincinnati to pay for that stuff. If people want to fund it privately, fine, but do not take our hardearned tax dollars to do this.

Mr. Chairman, there are an awful lot of things we need to fund. We are serious about balancing the budget. Support Mr. SHADEGG' amendment.

Mr. SHADEGG. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Oklahoma [Mr. CORBURN].

Mr. COBURN. Mr. Chairman, I wanted to respond to something that the gentleman from Washington had to say. The question was asked whether or not we could afford this. Of course, we can afford this. But that is not the question. The question is: Can our children afford it? The ones that are going to pay back the debt?

Even if there was nothing controversial within NEH, we should not spend money we do not have on a program that is not of human necessity, and that is the question. We lose sight of the fact that we are spending our children and grandchildren's money on something the majority of which, throughout the rest of this country, is done through philanthropy.

Can we afford it? Absolutely we can afford it. Can we do it? Yes. Should we do it? Absolutely not.

I support the amendment and would ask my colleagues to support it as their vote.

Mr. YATES. Mr. Chairman, I yield 30 seconds to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I appreciate the gentleman for yielding this time to me, and I want to correct myself. The gentleman, Mr. SHADEGG's, amendment does not eliminate funding for the National Endowment for the Humanities, it just reduces it by $13 million. But we have already dramatically reduced this program, I think almost by 50 percent, and I think to cut it further would be a very serious mistake.

I would say to the gentleman who was just in the well: I am not sure; he said the National Endowment for the Arts. I assume he meant the National Endowment for the Humanities.

But if we cannot spend a small amount of money to understand our history and civilization, I think that is a tragic mistake.

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

Mr. Chairman, I thank the gentleman from Washington [Mr. DICKS] for setting the record straight with regard to the amendment. It does propose simply a modest cut.

Mr. Chairman, it appalls me. Too many people on the floor of this Congress fail to understand the power of taxation. The power of taxation is the power to put a gun at the heads of the American people and take money from them.

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The average American in this Nation earns somewhere between $20,000 and $30,000 a year. For us to be taking money from them to subsidize the National Endowment for the Humanities, when we face a $153 billion deficit and a $5.2 trillion deficit and when funding from the private sector is abundant, $50 million in funding just in the last few years, Mr. Chairman; by 1992 there were 36,000 philanthropic foundations with $176.8 billion in assets and $10.2 billion in grants in this country for the humanities.

I suggest we cannot continue to subsidize the humanities, and this is a reasonable proposal that keeps us on schedule with a 3-year phaseout, the kind of agreement we made with this Nation. It is not a radical proposal to aliminate the funding for this, even though a case can be made for that. It is, rather, a suggestion that we keep faith with the American people and we quit using the gun at their head to redistribute income for worthy purposes like the humanities, when the private sector can, Mr. Chairman, and is doing it. I urge my colleagues to support the amendment.

Mr. YATES. Mr. Chairman, I yield the balance of my time to the gentleman from Montana [Mr. WILLIMAS].

The CHAIRMAN. The gentleman from Montana [Mr. WILLIAMS] is recognized for 4 minutes.

Mr. WILLIAMS. Mr. Chairman, 31 years ago the Congress of the United States created the National Endowment for the Humanities for a grateful public. On behalf of that public the Congress said this: ''An advanced civilization must not limit its efforts to science and technology alone, but must give full value and support to the other great branches of scholarly and cultural activity in order to achieve a better understanding of the past, a better analysis of the present, and a better view of the future. To fulfill its mission, achieve an orderly continuation of a free society, and provide models of excellence to the American people, the Federal Government must transmit the achievement and values of civilization from the past to the future.''

Thirty years ago the Congress gave that charge to the National Endowment for the Humanities, and the endowment has met that charge faithfully, thoughtfully, and innovatively. The National Endowment for the Humanities is a national success.

Mr. Chairman, many Members recognize things quickly for which the national endowment is responsible: Ken Burns' series on the Civil War and Baseball, the TV series ''Eyes on the Prize.'' The former chairman of the committee, the gentleman from Illinois [Mr. YATES], has talked about how the National Endowment for the Humanities has moved to preserve the presidential papers of Madison, Jefferson, and Adams, of Jackson and Grant and Dwight Eisenhower.

It has funded such things as the Center for the Rocky Mountain West, the Delaware History Museum the Academy of Religion in Atlanta, GA. In the last Congress this agency was slashed by 40 percent, more than any other. In this Congress this bill would cut it $5 million more, and now this amendment would cut $13 million more for an $18 million cut, savaging this successful Federal effort.

The current chair of the humanities endowment, Sheldon Hackney, has said this: ''I like to think of the humanities as human beings, recording and thinking about human experience and the human condition, preserving the best of the past and deriving new insights in the present.

This country has never needed the humanities more. We not only face the challenges of a new geopolitical situation and the problems of adjusting to economic competition in a new global marketplace, but we face a crisis of values here at home. And, said Chairman Hackney, ''The more we know, the more meaningful life is. Such is the gift of the National Endowment of the Humanities to the American people.''

This is an important effort. It is small funding. It has been cut 40 percent. Do we not care enough about passing on the scholarly and intellectual achievements of yesterday and today through this tiny Federal effort to our children and their grandchildren?

The National Endowment for the Humanities is a national success story. Reject the gentleman's amendment to cripple this important and critical national effort.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment. I think it is vital that we look at the total context of what the National Endowment for the Arts does, and the total benefit it provides for the American people.

In fiscal year 1995, the NEA approved 3,656 grants, out of over 14,000 applications. With those numbers, it is always easy, after the fact, to find one grant to criticize.

Let's look at some of the clear benefits the American people receive from the NEA. These thousands of projects help enrich the cultural life of all Americans. The NEA helps nurture promising artists and promising artists and promising artists and performers from all parts of this Nation, from all 50 States and the territories, from urban centers and from small towns.

The NEA costs each American only 38 cents a year. This investment makes possible a whole world of culture, such as symphonies, chamber music, operas, poetry readings, children's festivals, Shakespeare festivals, museum exhibitions, dance performances, children's museums, and folk festivals.

Modest NEA funding helps leverage additional contributions from other sources. Indeed, each NEA dollar attracts an average of $12 from other sources.

The NEA has played a crucial role in fostering African-American artists and performers. For example, in fiscal year 1995, almost 14 percent of Endowment funding went to fund organizations or projects designed to serve or be relevant to minorities. Furthermore, the success rate of minority-run organizations has been consistently higher than that of the total applicant pool.

Let me also note that NEA Chairman Jane Alexander has recently made a number of management changes. These changes should help ensure more effective use of limited Federal funds.

The NEA has a vital role to play in the cultural life of our Nation. It provides opportunities for artists, including African-American artists, that might not otherwise be available. Let's look at the big picture and not let criticism of one film detract us from the clear benefits of NEA funding.

I urge my colleagues to defeat this amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in strong opposition to this amendment. The National Endowment for the Arts is one of the finest institutions in our Federal Government—and sifting through the trash heap to find grants that some narrow-minded people may take offense at does not change this fact.

Mr. Chairman, this year's alleged controversy revolves around a film entitled ''Watermelon Woman'' funded in part by the NEA. But if it was not this grant, the Endowment's critics would have dreamed up some other project that outraged them.

The specifics of these grants do not seem to be important to the Endowment's critics. The fact that ''Watermelon Woman'' was a highly acclaimed film that dealt seriously and realistically with the challenges facing black women in the entertainment industry does not stop the Endowment's critics from issuing unfounded charges that it promotes alternative lifestyles. I wonder how many Members here today have actually watched ''Watermelon Woman''? I wonder how many Members realize that the aspects of the film that caused so much controversy are nothing more graphic than one would find in any ''R'' rated film?

But these facts do not seem to matter. Neither does the fact that the Endowment brings art education into the lives of rural and underprivileged children who would otherwise never be able to participate in the arts.

Or the fact that community theaters throughout the country will be forced to close if their NEA grants are cut even further; or the fact that symphony orchestras will be forced to cancel performances for school groups because of reduced NEA funding; or the fact that every cut to the NEA means less funding for arts education programs in every State in the Union; or the fact that the nonprofit arts community generates $3.4 billion in Federal tax revenue each year; or the fact that the NEA's budget has already been cut by $62 million, nearly 40 percent, from fiscal year 1995.

In my district recently in the community of Acres Homes, the Houston Symphony visited our community center and performed before hundreds of children. That is the benefit of the NEA.

I wonder how many of my colleagues are aware of a recent poll conducted by Lou Harris which showed that 61 percent of Americans would pay an additional $5 in taxes to fund the arts. Right now the average person pays less than 40 cents a year in taxes to support the NEA.

Mr. Chairman, I won't use up more time discussing this dubious amendment, I know other Members would like to be heard. I simply would like to urge my colleagues to vote against this amendment, if offered, and vote for our Nation's culture.

I reserve the balance of my time.

Mrs. MALONEY. Mr. Chairman, I move to strike the last word.

As a lover of the arts, a New Yorker, and proud Representative of a district which is a center of creativity and innovation, I rise in strong opposition to this amendment which cuts the NEH by $12 million, and I also want to voice my deep concern over the intention of this Congress to phase out the NEA and NEH over the next 2 years.

Far too few Members of this body protested the $11 billion unwanted increase we gave the Pentagon, but we are hard-pressed to let the NEA and NEH function on their meager budgets of $99.5 million and $110 million, which were already reduced 40 percent this year.

This is a dangerous time for all educational establishments as current congressional leadership seeks to slash what Americans pride ourselves on, by placing the NEH and NEA on the chopping block.

A recent Harris poll showed that 61 percent of Americans would be willing to pay $5 or more in taxes to support our cultural institutions. Knowing this, I am certain the public would be delighted to continue paying the 38 cents a year it is asked to fund the NEA and NEH at their current levels.

Federal support for the NEA and NEH, although a mere token, makes the arts and humanities more accessible to all Americans.

Other developed countries in the world understand how cultural institutions impact on the lives of their citizens and their advancement as a nation. Comparatively, Britain spends 3 times, France 10 times, and Germany over 12 times what the United States does.

The arts give meaning to our lives while reminding us of our common history as a nation and as a world.

Cutting funds to the NEA and NEH closes off access for the people who might stand to benefit the most, including at-risk youth.

This relatively small Government investment generates $12 for every $1 it spends, stimulating the economy and creating jobs and at the same time offering our children one less reason to fall prey to despair.

The President of the United States, Members from both sides of the aisle, and mayors from all across the country agree on the importance of the arts and humanities. In fact, 187 mayors sent a letter reminding Congress and the President, that, quote, ''funding this country's cultural resources is clearly woven into the federal government's broad national mandate'' and that the ''arts are critical to the quality of life and livability of our cities.''

Have the courage and insight to stop the further slashing of funds for these essential

cultural organizations which we all know benefit our children while benefiting our economy in numerous ways.

Mr. NADLER. Mr. Chairman, I rise in strong opposition to this amendment. Over the past 2 years, the National Endowment for the Humanities has withstood a 40-percent cut in funding. Yet, it continues to provide services to teachers, students, and the general public to promote the humanities.

There is no controversy as to the morality or quality of the services, provided by the NEH. In 1 year alone, the NEH sponsored 29 teacher institutes and 69 seminars for over 3,000 school teachers from 49 States, Puerto Rico, Guam, and the District of Columbia. These teachers in turn reached over 500,000 students in just one academic year. The NEH media awards will culminate in 70 hours of television and 69 hours of radio reaching close to 244 million Americans.

Cutting the NEH budget even further would exacerbate the assault on public education we have witnessed in this Congress. Hundreds of thousands of school children will suffer from the lack of educational materials normally provided by the NEH. Teachers will not benefit from the seminars offered by the NEH. This House has passed legislation for the V-chip and the Telecommunication Decency Act because people in this body believe there is too much violence and pornography reaching American homes. But now, the millions of people who turn to programming funded by the NEH as an alternative to commercial television and radio—the kind of programming to which Members of this House give lip service—would be denied this valuable programming because of this amendment.

Voting against this amendment is an opportunity to demonstrate a real commitment to better education and family friendly programming. This amendment should be defeated.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise today in strong opposition to the amendment that would literally eviscerate the National Endowment for the Humanities.

Eliminating $12 million from the grants and administration account for the NEH with the expectation that private-sector donors will make up the difference is a misinformed position and a naive proposal.

Corporate giving has declined steadily since 1985, and from 1984 to 1994, donations decreased by about one-sixth in real dollars.

Corporate giving is very market-driven. While I certainly believe businesses have the right to watch out for their bottom lines, we have to acknowledge that the consequences of this are that grants are determined by location and benefit to employees.

This means that that a relatively small number of institutions in a limited number of geographic areas receive a disproportionate share of the funds.

The NEH makes the humanities available to all Americans. Only a Federal agency like the NEH has the size, scope, and expertise to bring the humanities into the lives of all Americans.

Federal funding serves as a catalyst for corporate contributions. Many NEH grants require from $1 to $4 in non-Federal money for every NEH dollar.

Since the NEH began, these grants have attracted $1½ billion in private funds, which demonstrates that the seed money provided at the Federal level stimulates huge increases in private giving.

Moreover, private corporations know that the NEH has the institutional knowledge about disciplines and they rely heavily on the NEH to identify organizations that have a sound organizational structure, as well as the scholastic excellence worthy of further corporate support.

An NEH imprimatur is a stamp of quality and that is what spurs private-sector donations. Without the NEH, there will be no private dollars to be distributed. It is that simple.

In our country's poorest and most isolated areas, cultural and scholastic activities do not attract private-sector donors. Thankfully, the NEH has taken the lead in serving these areas and has wisely invested in the education, the lives, and the futures of the children living in these communities, whose abilities are too often overlooked.

Given that the cost to each American is only 42 cents a year and that the humanities—history, literature, languages, philosophy—are fully two-thirds of America's school curriculum, the NEH is a bargain for taxpayers.

Finally, the local economies of small towns and big cities are stimulated by NEH sponsored exhibits and projects. Supporting the NEH is good business sense and good historical sense. It is as much a sound economic policy as the Government building interstate highways, funding airports, or paying for basic research in agriculture, energy, health, or any other area.

Given that the NEH suffered a 36-percent cut last year alone and that many worthy projects have already been canceled due to this reduction, reducing funds even further would be foolish and shortsighted. Everyone from children just beginning school to the country's greatest scholars depend on these funds.

Mr. BEREUTER. Mr. Chairman, this Member rises today in opposition to the amendment offered by the gentleman from Arizona [Mr. SHADEGG] to decrease funding for the National Endowment for the Humanities [NEH] by $12 million. This appropriations bill provides $104.5 million for NEH, which is consistent with the agreement to eliminate Federal funding of NEH within 3 years. As you know, the amount appropriated by the committee is a 40-percent cut from fiscal year 1995 funding. An additional 11-percent cut would seriously undermine NEH and, most importantly, the State humanities councils that are already working diligently to replace decreasing Federal funds with private contributions.

This Member is most familiar with the National Endowment for the Humanities in the form of the Nebraska Humanities Council which consistently provides high-quality humanities programming at very little cost to citizens of all walks of life in my State. Since 1973, they have funded programs in more than 200 different communities in all of Nebraska's 93 counties—reaching more communities each year. Some of those counties have fewer than 500 residents and have meager cultural resources.

The Nebraska Humanities Council has been especially effective at reaching residents in the 1st Congressional District of Nebraska. This Member's district encompasses Lincoln with its universities, colleges, and museums as well as small towns whose only educational assets are their consolidated schools. The council has developed a humanities resource center with a large speakers bureau, exhibits, films, and videos that enable the smallest communities to benefit from the cultural resources of Nebraska's metropolitan areas. The speakers bureau has been particularly helpful to Nebraska's schools as they comply with a new requirement for multicultural education. Of course, the humanities council does not charge the schools for this valuable educational service.

In closing, Mr. Chairman, this Member urges the defeat of the Shadegg amendment.

Ms. SLAUGHTER. Mr. Chairman, I rise today in strong opposition to the Shadegg amendment. This amendment is representative of the continuous assault on the arts by my colleagues on the other side of the aisle. Frankly, I am amazed at my colleagues' attempts to rob our citizens of one of the most precious aspects of our society.

The National Endowment for the Humanities is the single largest source of support for the humanities. While humanities activities in our Nation would still exist without the NEH, they would not longer be accessible to the entire country. They would in all likelihood be reserved only for the rich who could afford them. What would the constituents of our districts say when there is no NEH to support museums or libraries or to preserve historical documents; when there is no longer an NEH to teach generations to come about history, literature, and philosophy, about who we are as Americans? Last year, NEH was cut by a massive 36 percent. This required the NEH to reduce from 6 grant divisions to 3; from 31 grant programs to 9; and from 276 staff positions to 120. In addition, some grant programs were hurt more than others. The Research and Education Division—including teacher training programs and Presidential papers—was cut by 60 percent.

Through the NEH, in fiscal year 1995, more than 2,600 high school and college teachers attended summer seminars and institutes. Over 400,000 students were taught by these teachers who had better mastery of the subject area, and greater enthusiasm for teaching after participating in this program. With fiscal year 1996 funds, NEH will only be able to support 1,400 teachers, reaching 220,000 students—almost half as many as before. Obviously these facts do not impress my colleagues as evidenced by their attempts to cut funding for the NEH even further.

The NEH has long been attentive to the educational needs of our Nation's children. The public programming made available to children through NEH funding has been wonderful. Sadly, funding for the NEH's public programs have been cut by 40 percent, which means there will be fewer dollars available for children's programming.

Mr. Chairman, I urge my colleagues to defeat this ill-conceived amendment.

Mr. TORKILDSEN. Mr. Chairman, I rise in opposition to this amendment, and in strong support of the National Endowment for the Humanities.

Think about what would be lost if funding for the Endowment were further cut: The papers of Abraham Lincoln, George Washington, Thomas Jefferson, and Benjamin Franklin; 230,000 disintegrating pages of newspaper and 628,000 brittle books; 26 million archaeological and historical objects important to our culture; and scholarships and stipends for students conducting research, and training and institutes for teachers.

If this amendment passes, these programs may simply disappear. Federal support for

these projects is central to their survival because past efforts have shown they are not glamorous enough to attract enough private dollars. The private sector can't do it alone.

The 1988 Republican Party platform:

Republicans consider the resurgence of the arts and humanities a vital part of getting back to basics in education * * * To that end, we will: Support the National Endowments for the Arts and Humanities * * * in their efforts to support America's cultural institutions, artists and scholars.

I urge my colleagues to support this Republican program and vote against this amendment.

Mr. JOHNSON of South Dakota. Mr. Chairman, I rise today to express my strong opposition to an amendment offered by Representative SHADEGG which would further reduce funding for the National Endowment for Humanities. In fiscal year 1996, the Interior appropriations bill cut the NEH budget nearly in half; a cut which I believe will devastate many existing educational programs nationwide. Unfortunately, the Interior appropriations bill for fiscal year 1997 maintains that inadequate funding level, with the end goal of elimination of the NEH by 1998. As the only voice for South Dakota in the House of Representatives, I must speak out against the elimination of programs which help the people of my State preserve the rich and unique cultural heritage of South Dakota and the surrounding great plains States.

NEH programs exemplify the type of public-private partnerships that have traditionally fostered a collective dedication to cultural and historical education. The NEH gives State humanities councils the necessary freedoms to meet local educational needs. In the last 5 years, institutions in South Dakota have received $2.7 million from the NEH and the South Dakota Humanities Council for library programs and exhibits, literary publications, and cultural heritage visitor centers.

The South Dakota Humanities Council relies on the NEH for 90 percent of its funding. That support goes directly to schools and small communities for projects like the ''Women Missionaries and Teachers in South Dakota'' Program at the Siouxland Heritage Museum, and ''Lakota Culture; Interactive MultiMedia'' at the South Dakota School of Mines and Technology. At the same time, broader educational projects continue the literary legacy of many of this Nation's most acclaimed authors and long time South Dakota residents, including Laura Ingalls Wilder, who gave us the ''Little House'' series, and L. Frank Baum, author of the classic ''The Wonderful Wizard of Oz.'' The many NEH-funded heritage fairs and events held throughout my State every year are endorsed by the South Dakota State Arts and Humanities Councils, as well as State and local tourism authorities.

These and countless other worthy public education programs will disappear in my rural State, and the creativity behind this type of education programming will be thwarted if efforts to gut or eliminate the NEH continue.

In the face of severe cuts to the Institute for Museum Services, the only other Federal funding mechanism specifically chartered to work with States in recording, preserving, and educating our children on the American experience, we cannot stand by and allow the complete elimination of the programs vital to public education that are funded through the National Endowment for Humanities.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Arizona [Mr. SHADEGG].

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

Mr. SHADEGG. Mr. Chairman, on that I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 455, further proceedings on the amendment offered by the gentleman from Arizona [Mr. SHADEGG] will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MR. FALEOMAVAEGA

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. FALEOMAVAEGA: Insert after section 320 the following new section:

SEC. 321. None of the funds appropriated or otherwise made available by this Act may be used to permit or facilitate the planning, construction, or operation of a third telescope on Mt. Graham in the Coronado National Forest unless it is made known that the planning, construction, or operation of that telescope first complies with all applicable laws, notwithstanding section 335 of Public Law 104–134.

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

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

Mr. Chairman, I am offering an amendment regarding the construction of the third telescope on the top of Mount Graham in Arizona. The amendment adds new language limiting the appropriation of funds for the further construction of the Mount Graham telescope project until such time as the project complies with all environmental and historic preservation laws. This amendment is also intended to override the provisions of section 317 of this bill, which deems the alternative site for the third telescope to be in compliance with all the environmental laws, even though it isn't. The alternative site that section 317 refers to lies outside of the original boundaries set by Congress.

The reason the Mount Graham project is so controversial is because Mount Graham has been a sacred place of worship for the Apache Indians for thousands of years and because the mount is home to an irreplaceable ecosystem, including the red squirrel.

Section 317 is yet a third attempt to exempt the Mount Graham observatory project from the National Environmental Policy Act, the Endangered Species Act, the National Historic Preservation Act, and other laws. The project was partially exempted from complying with studies under these laws by a 1988 law. The reason these studies were not completed in 1988 was that the proponents were unwilling to list the many alternatives to the project to the American public. A 1984 study listed 38 sites in the continental U.S. superior to Mount Graham. A 1987 study demonstrated that Mauna Kea in Hawaii was a better site than Mount Graham.

The other alternatives are so important because Mount Graham is host to over 18 plants and animals found nowhere else in the world and is a mountain most sacred to the Apache people. U.S. Fish and Wildlife Service studies show that the 7 telescopes authorized in the 1988 law would permanently destroy 25 percent of the best habitat of the endangered Mt. Graham red squirrel. Furthermore, the telescopes descecrate sacred religious ground. The San Carlos Apache Tribe calls this project, ''a display of profound disrespect for a cherished feature of our original homeland as well as a serious violation of our traditional religious beliefs.'' Protecting the religious rights of our people, including Indians, is part of the National Historic Preservation Act. Section 317 would simply waive those protections.

Subsequent University of Arizona studies showed the University had placed its project on the worst spot on Mt. Graham. Its studies also found another observatory site in southern Arizona with clearly superior visibility. The point is that if the university had just waited to finish its homework it would have chosen another site. Instead, in their haste, they committed a monumental scientific siting blunder. The U.S. Courts ruled in 1994 and 1995, that its December 1988 law, as well as NEPA and the ESA.

Similarly, this House, in 1990, held hearings chaired by Congressmen GERRY STUDDS and BRUCE VENTO in which the Fish and Wildlife Service admitted that the ''no jeopardy'' opinion on which Congress relied in passing the 1988 exemption was carried out in probable violation of law. The point I am making is that the very assumptions we have been basing our actions upon regarding the construction of this project have been wrong. If that is the case, then is it really to much to ask to have someone scientifically review this project, and let the university follow the law like everyone else?

There have been complaints that if we require the university to complete the necessary environmental studies then it will grately delay the project. That is not true. Even if we could begin construction today, the fact of the matter is that it will still take over 3 years to complete the two mirrors for the telescope, more than the amount of time it will take to complete the long-overdue environmental studies the university objects to.

The National Congress of American Indians, representing over 200 tribes in the United States opposes this project. All of the tribes in Arizona, including the Hopi and Navajo support the Apache's opposition. The racial justice working group of the National Council

of Churches, representing some 48 million U.S. citizens and some 50 Christian denominations oppose this desecration.

As a final point, I would like to note that since passage of the 1996 omnibus appropriations bill, which contained a similar rider, a 6,000 acre fire burned large portions of the mountain. Perhaps this was a sign from God. At any rate, the fire seriously damaged the remaining habitat of the endangered species living on the mountain. If for no other reason than this, we need to make sure that all of the environmental protections are in place and are followed before we further destroy the top of the mountain.

The American public holds our precious religious freedoms dearly. These are what our country was founded on. I cannot think of another instance where we have been asked to so callously disregard the religious rights of our own citizens. This is intolerable and I urge my colleagues to vote for my amendment.

Mr. Chairman, I include for the RECORD a listing of groups opposed to the Mt. Graham International Observatory, and a letter from the San Carlos Apache Tribe regarding the Mt. Graham Observatory telescope project.

The material referred to is as follows:

GROUPS OPPOSED TO THE MT. GRAHAM INTERNATIONAL OBSERVATORY

NATIVE AMERICAN GROUPS

American Indian Resource Institute.
Apache Survival Coalition.
Association on American Indian Affairs.
Council of Energy Resource Tribes.
Morning Star Foundation.
National Congress of American Indians.
National Indian Policy Center.
National Tribal Environmental Council.
Native American Rights Fund.
Northwest Indian Fisheries Commission.
Red Indian Society of the Americas.
San Carlos Apache Tribe and Council.

INTERNATIONAL GROUPS

Associated Students for Environmental and Economic Development.
Big Mountain Action Group (Germany).
Campagna Nord-Sud (Italy).
Greenpeace (Germany).
Institute of Ecology and Action Anthropology (INFOE, Europe).
International Working Groups for Indigenous People (Denmark).
KOLA (Belgium).
KWLA (Belgium).
Naturschutzbund (Germany).
Pax Christi (Germany).
Robinwood (Germany).
Society for Threatened People (Austria, Switzerland, Italy, and Germany).
Soconas Incomindios (Italy).
Survival International.
Working Group for Indigenous People (Europe).

NATIONAL GROUPS

Animal Defense Council.
Biodiversity Legal Foundation.
Center for Resource Management.
Defenders of Wildlife.
Earth First!
Environmental Defense Fund.
Friends of the Earth.
Great Bear Foundation.
Greenpeace.
Humane Society of America.
Hollywood Women's Political Caucus.
National Audubon Society.
National Bear Society.
National Parks and Conservation Association.
National Wildlife Federation.
National Wildlife Society.
Natural Resources Defense Council.
Preserve Appalachian Wilderness.
Safari Club International.
Save America's Forests.
Scientists for the Preservation of Mt. Graham.
Sierra Club.
Sierra Club Legal Defense Fund.
Student Environmental Action Coalition.
Wilderness Society.
Wildlife Society.

ARIZONA GROUPS

Arizona Arms Association.
Arizona Audubon Council; (Huachuca, Maricopa, Northern Arizona, Prescott, Tucson and Yuma).
Arizona Bear Society.
Arizona Bowhunter's Association.
Arizona Flycaster's Association.
Arizona Game and Fish Commission.
Arizona Muzzleloader's Association.
Arizona Native Plants Society.
Arizona Wilderness Coalition.
Arizona Wilderness Society.
Arizona Wildlife Federation.
Arizona Wildlife Society.
Cochise Conservation Council.
Desert Whitetailers.
Flagstaff Archers.
Friends of Mt. Graham.
Gila Biodiversity Project.
Gray Panthers Partners.
Greenpeace (Arizona).
Mt. Graham Conservation Project.
Rod and Gun Clubs: (Sierra Vista, Sportsman's, Tucson and Yuma Valley).
Sierra Club (Rincon Chapter and Grand Canyon Chapter).
Southern Arizona Hiking Club.
Southwest Center for Biodiversity.
Sportsman's Voice.
Student Environmental Action Coalition (University of Arizona and Arizona State University).
The Great Bear Foundation.
The Nature Conservancy.
Trout Unlimited, Zane Gray Chapter.

RESOLUTIONS OPPOSING THE MT. GRAHAM INTERNATIONAL OBSERVATORY

EUROPE

City Council of Florence, Italy, June 1, 1992.
City Council of Rome, Italy, April 28, 1992.
Council of the Region of Piedmont (Italy), May 5, 1992.
Green Party of Italy.
North American Indian Support Groups, European Meeting, July 18, 1991 and July 25, 1992.

CONSERVATION GROUPS

Arizona Game and Fish Commission.
Nature Conservancy.
Society for Conservation Biology, June 21, 1991.

SAN CARLOS APACHE

Petition signed by 15 San Carlos Apache Spiritual Leaders, April 1992.
San Carlos Apache Tribal Council, December 10, 1991.
San Carlos Apache Tribal Council, July 10, 1990.

NATIVE AMERICAN TRIBES AND REPRESENTATIVES

Hui mãlama i nã kûpuna 'o hawai'i nei, August 12, 1992.
International Indian Treaty Council.
Kaibab—Paiute Indian Tribal Council, May 21, 1992.
Keepers of the Treasures, November 15, 1991.
Mohawk Nation, April 19, 1992.
National Congress of American Indians, January 18, 1993.
Native American/Environmentalist Roundtable, November 8, 1991.
Native Lands Institute, May 31, 1992.
Petition Signed by members of 20 Native Nations, during Holy Places Conference, May 30, 1992.
Refugio del Rio Grande Board of Directors, February 23, 1992.
Salt River Pima—Maricopa Indian Community Council, June 24, 1992.
Tohono O' Odham Legislative Council, May 5, 1992.

THE CULTURAL & NATURAL HERITAGE PROJECT,
Portland, OR, December 10, 1995.

Re H.R. 1997 (Interior appropriations) and Rep. Kolbe (R–AZ) Rider to exempt Mt. Graham astrophysical project from all environmental and cultural resource laws.

President WILLIAM J. CLINTON,
c/o Katie McGinty, Council on Environmental Quality, The White House.

DEAR MR. PRESIDENT: On April 29, 1994, you met with some 200 leaders of American Indian tribes at the White House and made the following statements and commitment: ''I promise to continue my efforts to protect your right to fully exercise your religion as you wish. Let me talk a minute about the issue of religious freedom because I feel strongly about it . . . For many of you, traditional religions and ceremonies are the essence of your culture and existence . . . No agenda for religious freedom will be complete until traditional Native American religious practices have received the protections that they deserve.''

President Clinton, you must keep your promise. The trust responsibilities incumbent on the United States government absolutely require rejection of any attempt to further harm the Apaches' human rights and religious freedom that would unavoidably result from any further developments on Mt. Graham (the Apache long-ago named the mountain dzil nchaa si an, or ''big seated mountain''). See also, e.g., Mary Christina Wood, ''Fulfilling the Executive's Trust Responsibility Toward the Native Nations on Environmental Issues: A Partial Critique of the Clinton Administration's Promises and Performance,'' 25 ENVTL L 733 (1995).

The President and your office must act immediately to thwart Rep. Kolbe's malignant efforts on behalf of the University of Arizona and a small, exclusive cadre of special interests to exempt the Columbus Project (aka ''the Large Binocular Telescope'' or ''LBT'') from environmental and cultural resource protection laws. The University of Arizona insists on installing this facility on Mt. Graham, despite objective scientific data proving that there are dozens of terrestrial sites better suited for this type of optional astronomy. Don't make the same mistake you made on the timber salvage in July.

The traditional religious and ceremonial uses of Mt. Graham have been documented since as early as the 1930's by noted anthropologist Grenville Goodwin, whose works are published by the University of Arizona Press. The irony is shameful. The Kolbe rider and any others like it should render any legislation fatally defective and require a presidential veto whenever necessary. Please take special note of the unprecedented and historic Inter-Apache Policy on the Protection of Apache Cultures and the accompanying December 1, 1995 inter-tribal letter to the House Appropriations Committee (copy enclosed).

MICHAEL V. NIXON, Esq.

Enclosures.

THE SAN CARLOS APACHE TRIBE,
San Carlos, AZ, September 25, 1995.

Re update of tribe's position on mount graham.

TO WHOM IT MAY CONCERN: On June 13, 1995, the San Carlos Apache Tribal Council passed a resolution to reaffirm their position on its support of the Native American Free Exercise of Religion Act and wholeheartedly opposed the construction of the Mount Graham International Observatory telescope project.

During the January 18–19, 1993, National Congress of American Indians Annual Convention (NCAI) unanimously passed a resolution in opposition of the construction of telescoped on Mount Graham. NCAI is the largest intertribal organization nationwide which represents over 500 tribes and advocates for national regional and local tribal concerns.

The National Council of Churches (NCC) through a resolution passed on March 27, 1995, opposed any construction of new developments on Mount Graham. NCC comprises of over 300 religious denominations in the Country.

It is our understanding the University of Arizona lobbyists are proposing to introduce new legislation which will exempt the University of Arizona for the second time in their attempt to build the Large Binocolar Telecscope on Mount Graham. In July of 1995, the Ninth Circuit Court of Appeals ruled against the University of Arizona for violation of Endangered Species Act.

We are, therefore, requesting that you, as our legislators and working body of the United States Government, oppose any riders or exemptions of the 1988 Arizona—Idaho Conservation Act P.L. 100–696 on behalf of the University of Arizona's proposed telescope on Mount Graham.

Sincerely yours,

MARVIN MULL, Jr.
Tribal Vice-Chairman.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Arizona [Mr. KOLBE] insist on his point of order?

Mr. KOLBE. Mr. Chairman, notwithstanding my great respect for the gentleman from American Samoa, and notwithstanding the fact that this issue was debated and considered on last year's Interior appropriations bill, I do make a point of order against the amendment because it proposes to change existing law, and therefore constitutes legislation on an appropriation bill, which, of course, violates clause 2 of House Rule XXI.

That rule states in part: ''No amendment to a general appropriation bill shall be in order if changing existing law. * * *'' This amendment would, first, give affirmative direction in its effect; second, impose additional duties on Cabinet and executive officials; third, modify existing powers and duties; fourth, does not apply solely to the appropriation under consideration; and fifth, it modifies existing law.

For those reasons, I ask that the Chair give me a ruling on my point of order.

The CHAIRMAN. Is there further discussion on the point of order?

If not, the Chair is prepared to rule.

The gentleman from Arizona [Mr. KOLBE] makes a point of order that the amendment offered by the gentleman from American Samoa constitutes legislation on an appropriations bill in violation of clause 2 of rule 21. The amendment limits funds in the bill for the planning, construction, or operation of a third telescope on Mt. Graham in the Coronado National Forest unless it is made known that the planning, construction, or operation of that telescope complies with all applicable laws, notwithstanding section 335 of Public Law 104–134. The inclusion of the language ''notwithstanding section 335 of Public Law 104–134'' in the amendment is a waiver of law that would otherwise apply to the operation of this telescope. As such, the amendment changes existing law in violation of clause 2 of rule 21 and is not in order. The Chair sustains the point of order.

PARLIAMENTARY INQUIRIES

Mr. FALEOMAVAEGA. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. FALEOMAVAEGA. Mr. Chairman, would it be appropriate to ask that we have a recorded vote on the point of order?

The CHAIRMAN. No, not at this point. The amendment has been ruled out of order on a point of order, and this amendment is not pending.

Are there further amendments?

□ 1200

Mr. REGULA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. REGULA. Mr. Chairman, am I correct in understanding that the votes will now occur on those amendments that have been rolled up to this point including the one from last night of the gentleman from Massachusetts [Mr. KENNEDY]?

The CHAIRMAN. That was the intent, but the Chair understands that the gentleman has a unanimous-consent request.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that before the Committee of the Whole resumes its unfinished business on the demand for recorded votes on the amendments regarding weatherization offered by the gentleman from Vermont [Mr. SANDERS] and the gentleman from Mississippi [Mr. PARKER] that there be an additional 10 minutes of debate on each amendment equally divided and controlled by the proponent and myself.

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

There was no objection.

AMENDMENT NO. 23 OFFERED BY MR. PARKER

The CHAIRMAN. Pursuant to the order of the Committee of today, the gentleman from Mississippi [Mr. PARKER] and the gentleman from Ohio [Mr. REGULA] will each control 5 minutes.

The text of the amendment is as follows:

Amendment offered by Mr. Parker: In the item relating to ''DEPARTMENT OF ENERGY—ENERGY CONSERVATION''—

(1) after the second dollar amount, insert the following: ''(increased by $18,204,000)'';

(2) after the third dollar amount, insert the following: ''(increased by $11,764,000)''; and

(3) after the fourth dollar amount, insert the following: ''(increased by $6,440,000)''.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. PARKER].

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

Mr. Chairman, I want to thank the chairman of the committee for working out this agreement so we could cornet some of the confusion that has occurred and make sure all the Members understand what is coming before the body.

Mr. Chairman, I want to take this opportunity to discuss with my colleagues the importance of the amendment that I offered last night with the gentleman from Pennsylvania [Mr. FOX] and acknowledge the floor statements in support of this amendment by the gentleman from Vermont [Mr. SANDERS], the gentleman from Florida [Mr. STEARNS], the gentleman from Maine [Mr. LONGLEY], the gentleman from Missouri [Mr. VOLKMER], and the gentleman from New York [Mr. BOEHLERT].

I want to once again emphasize that this is a bipartisan effort to restore equity to this program and to shift only $18 million to low-income weatherization and the State energy programs from other energy conservation programs. The simple truth is these programs have taken a disproportionate share of the cuts.

This amendment is good for the environment by reducing pollution, it is good for low-income Americans because it allows weatherization of homes, and it is welfare reform because it increases independence of low-income Americans. It helps our States and local governments by allowing them flexibility to leverage other funding sources to do good and effective energy projects.

I would like to clear up some confusion on this amendment and to correct an error that was in the Legislative Digest. First of all, we do not remove money from fossil fuel accounts. Second, these State energy programs and the low-income weatherization programs are energy conservation programs. An impression was given that only energy research and development is energy conservation. This is simply not correct. A broad look at energy conservation shows that in addition to research, we must employ technologies and work with States, local governments, businesses and low-income Americans to get energy efficiency implemented. In fact, the State energy programs and the low-income weatherization program have implemented the largest percentage of energy efficiency programs during the past 20 years of any other energy conservation program in this country. They are clearly the most successful and cost-effective programs at the Department of Energy and they help people directly.

If your goal is to send money back to the States and remove money which supports the bureaucracy in Washington, the logical vote is a ''yes'' on the Parker-Fox amendment. It helps to create equity in the program at the DOE, it is a commonsense approach, and I urge my colleagues to support this amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOX], the coauthor of this amendment.

Mr. FOX of Pennsylvania. Mr. Chairman, I want to discuss the importance of this bipartisan Parker-Fox amendment which concerns the low-income weatherization and State energy programs.

Last night a number of Members made very eloquent floor statements in support of these programs. Make no mistake about it, these programs are energy conservation programs. They help people from the homes to the farms to small businesses.

Our amendment is supported by the States and by the community action agencies and by Democrats and Republicans alike because it is good public policy that puts increased amounts of money into weatherizing homes of poor Americans so that they can be independent and not choose between heating and eating.

We are here on the floor of the House to reduce the deficit, to continue to fund only those programs that really matter and help our country move forward. These are key priorities because they help us compete and they reduce cost. These programs put the results of our R&D into the field and create real partnerships.

In summation, I would say, Mr. Chairman, that it restores funding to weatherization and it is also revenue neutral, a very important key point.

Mr. PARKER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the Department of Energy made a decision that what they would do is they would protect the bureaucracy in Washington and they would put the major cuts, the largest percentage of cuts, on the States. Within the categories, the accounts that are in the Interior bill dealing with the DOE, the only moneys which go to the States where the States can actually utilize that money, that goes directly to our constituents, are the ones that go to the State energy officials and the weatherization programs. Everything else stays in Washington in the bureaucracy. Most of it, I must say, is corporate welfare at its worst. All we are talking about is having some equity. Most of the cuts have been put into these accounts going to the States, they have cut them over 50 percent. Around 25 percent of the cuts have stayed in Washington.

We are just talking about equity. We are trying to get more money back to people, to low-income people where we actually can get money back to those individuals and it can do some good. I urge support for the Parker-Fox amendment.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

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

Mr. BROWN of California. I thank the gentleman for yielding me the time.

Mr. Chairman, I have gained this honor because I spoke out against these amendments when they were first debated on the floor, and I probably will repeat a little bit of what I said previously.

The cuts that are proposed to be made in order to fund the increases in the weatherization program are out of the energy research and development account in which I have a very strong interest. This is not to say I am opposed to weatherization. I think weatherization has been cut more than I would like, and I would support any move to increase it that does not cut into energy R&D.

What has happened in energy R&D. We have with this bill a 20-percent cut from the levels of 1995, using that as a benchmark, a 10-percent cut from 1996, the current year's figures, and what we have, of course, is a request from the President to increase the 1995 figures by 20 percent or the 1996 figures by 30 percent in order to achieve the great values which occur as a result of this program.

What are these values? I should just mention one or two, for example. The energy conservation research and development program has produced things like the energy efficient windows that have saved taxpayers $1.8 billion in energy costs; energy efficient building design that saved consumers $1.9 billion in energy costs; and energy efficient freezers and refrigerators that have saved consumers $6 billion in the 10 years from 1980 to 1990.

In effect, these are programs which are making this country more efficient both industrially and in terms of homes and appliances and things of that sort, and making us more competitive in the world. It is a poor choice to propose this cut to fund the weatherization program. I ask that the amendment be defeated.

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

Mr. Chairman, I know this has some attraction, but let me point out we are choosing in a sense whether we want to send the money to the State bureaucracy or whether we want to support energy efficiency research and development. Let me read from a letter from the administration:

> Notwithstanding that, we are concerned that the reductions proposed in the Parker-Fox amendment would severely compromise vital research and development programs, which have already taken substantial cuts,

as was pointed out by the gentleman from California.

As the gentleman said, the weatherization programs are good. We put $125 million into weatherization and state grants. Let me also add, because we have heard some tales of woe about the impact on low-income individuals, that this morning, as I understand it, the full Appropriations Committee approved the Labor, Health and Human Services bill that includes $1.2 billion for low-income heating assistance.

It is not as if we do not have money to provide warmth for those who are in financial difficulties. We put $1.2 billion in to pay their fuel bills. In addition, we have $100 million in our bill for weatherization. So I think we are very sensitive to the problems of the low-income in terms of providing heating, because the total would be $1.3 billion.

As was pointed out by the gentleman from California, we have already cut energy conservation severely over the last 2 years. These are programs that provide for pollution control, for clean air, for energy efficiency, for making automobiles more fuel efficient, programs that are absolutely vital to the future. If you improve energy efficiency, the LIHEAP money that we spend will go further in terms of home heating, in terms of the automobiles for those low-income people that need to get to work.

In the long-term benefits to society, energy conservation research is vitally important to every American. It gives us independence from other energy sources outside the United States. It gives us cleaner air. It will give us more fuel efficient automobiles.

It is not as if all this money is coming from the Federal Government. A great amount of it is coming from the private sector. This is a case of the Government providing a helping hand, and this is consistent with what many of our Members talk about: Let us get the Government out of 100 percent. We have done that. We have said on these programs they have to be matched at least 50 percent, in some cases more, by the private sector.

Mr. Chairman, I think in terms of national policy and even for the poor that it would be much better to approach it the way the committee has. I urge a ''no'' vote on the Parker-Fox amendment.

AMENDMENT OFFERED BY MR. SANDERS

The CHAIRMAN. Pursuant to the order of the Committee of today, the gentleman from Vermont [Mr. SANDERS] will be recognized for 5 minutes and the gentleman from Ohio [Mr. REGULA] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

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

Mr. Chairman, my amendment is very simple. It transfers $11,764,000 from the naval petroleum reserve into the low-income weatherization assistance programs.

What we should understand is that last year the weatherization program was hit very hard. In fact, it was almost slashed in half. This bill today recommends an additional 10-percent

cut on top of last year's decimating cut.

Let us stand with the millions of people in this country who go cold in the winter, people who stifle in certain climates in the summer, whose health is endangered. This is the United States of America and elderly people should not be forced to go cold in America.

□ 1215

Mr. Chairman, I should point out that this is a compromise amendment. The administration properly requested an increase in funding to $150 million. The committee recommends $100 million, and this amendment simply raises that to $112 million.

Mr. Chairman, let me say a word about the Naval Petroleum Reserve from which we take the money. The NPR's operating funds go to running three oil fields which are jointly operated by the Government and Chevron. The productivity of these fields has steadily declined since its peak in 1976. The President earmarked the NPR for sale in fiscal year 1997, indicating, and I quote: ''Producing oil and gas is a commercial, not a governmental activity, which is more properly performed by the private sector.''

Mr. Chairman, I yield 1½ minutes to my friend, the gentleman from Maine [Mr. LONGLEY].

Mr. LONGLEY. Mr. Chairman, I thank the gentleman from Vermont for yielding me the time.

It has been a pleasure to work with both the gentleman from Vermont [Mr. SANDERS] as well as the gentleman from Mississippi [Mr. PARKER] and the gentleman from Pennsylvania [Mr. FOX] on this amendment. I guess I want to emphasize the nature of the compromise that we feel should be reached, which would be to maintain funding at the current level and restore the additional cut over cuts that had been made in prior years.

I think the point that I would like to make that is very important is that the weatherization assistance program is used to increase the energy efficiency of residences occupied by low-income individuals. It is not merely a transfer of money to a State bureaucracy. In the case of the State of Maine, the funds are received by the Maine State Housing Authority, which then is the agency in Maine charged with operating the program, distributes the funds to regional community action programs, CCAP agencies which take and process the applications and make the payments.

Now, as I indicated, Mr. Chairman, there are a number of issues that we have been debating over the last year and a half about how to improve and streamline the system. For whatever reason, those innovations and changes have not occurred. We are dealing with the existing distribution system and on that basis, I think it would be terribly unfortunate that those who need this assistance get caught in the crossfire between the administration and the Congress over precisely how we do it. The fact of the matter is, the system has been established, it is functioning, as in this case we are talking about protecting a level of funding for those who need the weatherization assistance, and I think that the most effective way of doing that is through the amendments that have been introduced by both gentlemen. So the question, if there is one, is between how we pay for it, not the fact that we need to do it.

Mr. SANDERS. Mr. Chairman, may I inquire as to how much time is remaining?

The CHAIRMAN. The gentleman from Vermont [Mr. SANDERS] has 1½ minutes remaining, and the gentleman from Ohio [Mr. REGULA] has 5 minutes.

Mr. REGULA. Parliamentary inquiry, Mr. Chairman. As I understand it, I have the right to close.

The CHAIRMAN. The gentleman is correct.

Mr. SANDERS. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois [Mr. GUTIERREZ].

Mr. GUTIERREZ. Mr. Chairman, I think that the issue is a very important one and one that is not only in New Hampshire and Maine but certainly in the city of Chicago. The energy assistance program will help a lot, and I just wanted to remind my colleagues that last summer, over 500 people died during the heat wave in the city of Chicago. Over 500 people, the immense majority of them low-income poor, senior citizens who rely heavily on this program and could really use a tightening up of their windows and their doors, because one of the major reasons, of course, is how do you pay for the electricity to run the air-conditioning and the fans?

Please support this for the heat in Chicago and the cold in New Hampshire.

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

Mr. Chairman, let me reiterate what the gentleman from Illinois [Mr. GUTIERREZ] reminded us. Last year in the city of Chicago, as I understand it, 500 people died in a sweltering summer. That is not what America is supposed to be. In my State of Vermont and throughout the northern part of our country, there are millions of people, including low-income people, who simply do not have the money to adequately heat their homes. They are living in homes where when they put heat out, the heat is going through the windows, it is going through the roof, it is going through the cracks in the wall. The homes are not insulated.

The weatherization concept is a cost-effective program. What is the sense of putting heat into a house when it is simply going to leak out? Mr. Chairman, over 4.4 million homes have been weatherized with these funds. Over 90 percent of the recipients make less than $15,000 a year and they spend an average of $1,100 on their energy bills.

Our amendment is a sensible amendment. It is an environmental amendment. It is a conservation amendment. Most important, it is a humane amendment. People in the United States should not go cold in the wintertime.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I was here in the well earlier and I assumed that the time that we had allotted was the time that was going to be used and apparently we now have more time. I will be more direct than I was earlier.

The idea of taking money out of the Naval Petroleum Reserve, $11 million on top of the $43 million that has been removed on a project which the President has signed that we are going to sell this Government property, is a dumb idea. The Department of Energy itself has said if you take the $11 million, we have two choices. We do not drill like we need to drill to continue the production. That will cost the American taxpayers next year $14 million. He takes $11 million out. Next year, it costs the taxpayers $14 million. In 1998, it costs the taxpayers $31 million because they did not have the money to drill the wells they need to continue to improve the largest Government holding of oil resources in the lower 48.

If they decide they are going to spend money they would have otherwise spent on other projects, it would come out of the environmental fund, which means it may not meet the standards that these people impose for the environment.

Now, you are damned if you do and you are damned if you do not. Weatherization is important, but keeping a natural resource that we are going to sell for potentially $1 billion up the private sector levels to get the maximum taxpayer dollar out of it simply is not a smart thing to do when they have taken $43 million out and now he wants to take $11 million out. Notwithstanding whatever the merits of your weatherization, the idea of going after this is typical fuzzy-headed thinking. Why, at the time you are getting your house ready to sell and the contractor says you have a hole in the roof, it will cost $5,000 to fix, but you will have to lower the price of the House by $10,000, you do not spend the money to make sure that you can get the full market value for the House?

He is taking what we are going to sell and refusing to spruce it up so we can get the highest dollar possible for the taxpayer.

As far as the weatherization program is concerned, there are a number of other areas to find the funds. There are amendments that have approached it in other areas to find the funds. Why he is absolutely insistent upon going after this particular fund, at a time when the Congress—the House and the Senate—and the President have agreed to spruce up this property to get the highest possible taxpayer dollar out of selling that property, is beyond me. Except I remember then that he is on

the ballot in Vermont and when he reached this body, his ballot designation was Socialist.

The CHAIRMAN. The gentleman from Vermont.

Mr. SANDERS. Excuse me, Mr. THOMAS. You made a falsehood and I would like an apology. I was on the ballot in the State of Vermont as an independent, always have been, and I would like an apology from you, sir.

Mr. THOMAS. I certainly apologize if the gentleman has never, ever represented himself as representing a socialist point of view.

Mr. SANDERS. I am a democratic socialist. That is very different from what you just said.

Mr. THOMAS. I apologize. The gentleman wishes to be called a democratic socialist.

Mr. SANDERS. Excuse me, I was on the ballot as an independent.

The CHAIRMAN. The time is controlled by the gentleman from Ohio.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to correct my statement. The gentleman was not on the ballot as a socialist. He was on the ballot in Vermont, as he indicates, as an independent but that he proudly claims he is a democratic socialist.

Mr. SANDERS. Mr. Chairman, I do not need to be told what I proudly claim.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. THOMAS]?

Mr. VOLKMER. Reserving the right to object, Mr. Chairman, I think that the debates thus far all day and yesterday on this bill have not been very rancorous. We have just seen the gentleman from California use some words that I think are not properly descriptive of the gentleman from Vermont. I would hope, under my reservation, to say that this would not continue and that the gentleman from California who used those words would refrain in the future from doing so. I do not think it is appropriate for any Member of the House to try to erroneously designate someone for what they are not.

Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

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

Mr. Chairman, first of all, so that the Members understand what is going to happen, we are going to have three votes that have been rolled. The first vote will be on the Parker amendment, which adds $18 million to weatherization and it cuts $18 million from conservation research.

The second vote will be on the Sanders amendment, which adds $11.7 million to weatherization and takes $11.7 million from the Naval Petroleum Reserve.

The third vote will be on the Shadegg amendment, which cuts the National Endowment for the Humanities by $12 million.

Let me say to my colleagues if you vote for both weatherization add-ons, you would be adding a very substantial amount to this program over last year's level. I would urge our colleagues to vote ''no'' on Parker and to vote ''no'' on Sanders.

On Parker, I think that taking money from conservation research to put into weatherization is not a good long-term national policy. Let me point out again, I am not hard-hearted at all, but we have $1.2 billion in LIHEAP. This is low-income heating assistance. So the people who need this help will get their fuel bills paid, be it electricity, gas, oil, whatever is the case. We also have $100 million in weatherization, and under our budget constraints, I think these are very fair and very reasonable amounts. Energy conservation is extremely important to this nation's future.

On the Sanders amendment, I think the problem there is we are going to sell the Naval Petroleum Reserve. It is worth billions of dollars. On the short term, the administration advises us that they will lose $14 million in revenues. So we are going to take out $11 million and lose $14 million. Not very good management, and we are the managers of this enterprise.

Second, it will be detrimental to the value of the property which will be sold in the near future. To do that is not good management. To put additional money into weatherization, which already has $100 million, and do it in a way that is detrimental to the sale of this property which will generate billions of dollars that could then be available for these programs in the future is not good policy in either the short or long term.

For this reason, I would urge a ''no'' vote on the Parker amendment, a ''no'' vote on the Sanders amendment, and there will be the three votes that have been rolled over.

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

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 455, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: The amendment offered by the gentleman from Mississippi [Mr. PARKER]; the amendment offered by the gentleman from Vermont [Mr. SANDERS]; and the amendment offered by the gentleman from Arizona [Mr. SHADEGG].

AMENDMENT OFFERED BY MR. PARKER

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Mississippi [Mr. PARKER] 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 204, noes 218, not voting 12, as follows:

[Roll No. 259]

AYES—204

Andrews	Gekas	Ney
Armey	Geren	Norwood
Bachus	Gilchrest	Nussle
Baldacci	Gilman	Oberstar
Bartlett	Goodling	Orton
Bass	Green (TX)	Pallone
Bentsen	Greenwood	Parker
Bereuter	Gunderson	Pastor
Bilirakis	Gutierrez	Paxon
Blute	Gutknecht	Payne (NJ)
Boehlert	Hall (TX)	Peterson (MN)
Boehner	Hamilton	Petri
Bonilla	Hancock	Pombo
Bono	Hastert	Pomeroy
Browder	Hayes	Portman
Brownback	Hayworth	Pryce
Bunning	Hilleary	Quinn
Burr	Hinchey	Rahall
Buyer	Hobson	Rangel
Camp	Hoekstra	Reed
Campbell	Hoke	Riggs
Canady	Horn	Roberts
Cardin	Hostettler	Rohrabacher
Castle	Houghton	Ros-Lehtinen
Chabot	Hunter	Rose
Chambliss	Hutchinson	Roukema
Chapman	Jackson (IL)	Sanders
Chenoweth	Jacobs	Scarborough
Christensen	Johnson (CT)	Scott
Chrysler	Johnson, Sam	Shadegg
Clayton	Jones	Shays
Clinger	Kasich	Sisisky
Coble	Kelly	Skelton
Coburn	Kennedy (MA)	Smith (NJ)
Collins (GA)	Kennedy (RI)	Smith (WA)
Combest	Kennelly	Solomon
Condit	Kildee	Souder
Cooley	King	Stearns
Crane	Kleczka	Stokes
Cremeans	Klug	Stump
Cummings	LaFalce	Stupak
Cunningham	LaHood	Talent
Danner	Largent	Tate
DeLauro	Latham	Taylor (MS)
DeLay	LaTourette	Taylor (NC)
Diaz-Balart	Laughlin	Thompson
Dickey	Lazio	Thornberry
Duncan	Leach	Thurman
Dunn	Lightfoot	Tiahrt
Edwards	Linder	Torricelli
Ehrlich	LoBiondo	Traficant
Engel	Longley	Upton
English	Manton	Velazquez
Evans	Manzullo	Volkmer
Everett	Martinez	Walker
Ewing	Martini	Ward
Filner	Matsui	Watt (NC)
Flake	McCrery	Watts (OK)
Flanagan	McHale	Weldon (PA)
Foley	McHugh	Weller
Fowler	McInnis	Wicker
Fox	McNulty	Williams
Franks (CT)	Metcalf	Wise
Frelinghuysen	Meyers	Wynn
Frisa	Minge	Young (AK)
Funderburk	Molinari	Young (FL)
Ganske	Montgomery	Zeliff
Gejdenson	Moorhead	Zimmer

NOES—218

Abercrombie	Bevill	Calvert
Ackerman	Bilbray	Clay
Allard	Bishop	Clement
Archer	Bliley	Clyburn
Baesler	Blumenauer	Coleman
Baker (CA)	Bonior	Collins (IL)
Baker (LA)	Borski	Collins (MI)
Ballenger	Boucher	Conyers
Barcia	Brewster	Costello
Barr	Brown (CA)	Cox
Barrett (NE)	Brown (FL)	Coyne
Barrett (WI)	Brown (OH)	Cramer
Barton	Bryant (TN)	Crapo
Bateman	Bryant (TX)	Cubin
Becerra	Bunn	Davis
Beilenson	Burton	de la Garza
Berman	Callahan	Deal

DeFazio
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Durbin
Ehlers
Ensign
Eshoo
Farr
Fattah
Fawell
Fazio
Fields (LA)
Foglietta
Forbes
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gallegly
Gibbons
Gillmor
Gonzalez
Goodlatte
Gordon
Goss
Graham
Greene (UT)
Hall (OH)
Hansen
Hastings (FL)
Hastings (WA)
Hefley
Hefner
Heineman
Herger
Hilliard
Holden
Hoyer
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kim
Kingston
Klink
Knollenberg
Kolbe
Lantos
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney
Markey
Mascara
McCarthy
McCollum
McDermott
McIntosh
McKeon
McKinney
Meehan
Meek
Menendez
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Mink
Moakley
Mollohan
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Obey
Olver
Ortiz
Owens
Oxley
Packard
Payne (VA)
Pelosi
Pickett
Porter
Poshard
Quillen
Radanovich
Regula
Richardson
Rivers
Roemer
Rogers
Roth
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Seastrand
Sensenbrenner
Serrano
Shaw
Shuster
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (TX)
Spence
Spratt
Stark
Stenholm
Stockman
Studds
Tanner
Tejeda
Thomas
Thornton
Torres
Towns
Vento
Visclosky
Vucanovich
Walsh
Wamp
Waters
Waxman
Weldon (FL)
White
Whitfield
Wilson
Wolf
Woolsey
Yates

NOT VOTING—12

Emerson
Fields (TX)
Gephardt
Harman
Johnson (SD)
Lincoln
McDade
Peterson (FL)
Ramstad
Schumer
Tauzin
Torkildsen

□ 1255

Messrs. MCINTOSH, HYDE, OLVER, NADLER, and CLAY, Ms. WATERS, Messrs. FIELDS of Louisiana, HEFNER, GALLEGLY, and ARCHER, Ms. ROYBAL-ALLARD, Messrs. DORNAN, MICA, DREIER, COX of California, SANFORD, ROYCE, RUSH, and BISHOP changed their vote from ''aye'' to ''no.''

Messrs. GUTIERREZ, SOLOMON, GILCHREST, BEREUTER, and STOKES, Mrs. CHENOWETH, Messrs. ROBERTS, LARGENT, BONO, PALLONE, and DELAY, Mrs. JOHNSON of Connecticut, and Messrs. GILMAN, CUNNINGHAM, and WILLIAMS 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. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment 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 will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 215, noes 206, not voting 13, as follows:

[Roll No. 260]

AYES—215

Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Beilenson
Bevill
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Camp
Cardin
Castle
Chabot
Chrysler
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooley
Costello
Coyne
Cramer
Cummings
Danner
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Duncan
Durbin
Ehrlich
Engel
English
Ensign
Evans
Fattah
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Frisa
Furse
Gejdenson
Gekas
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hastings (FL)
Hayworth
Hefner
Heineman
Hilleary
Hilliard
Hinchey
Hoekstra
Holden
Houghton
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Klug
LaFalce
LaHood
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lightfoot
Lipinski
LoBiondo
Longley
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Minge
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Ros-Lehtinen
Roukema
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schiff
Schroeder
Scott
Sensenbrenner
Serrano
Shays
Skaggs
Slaughter
Smith (NJ)
Smith (WA)
Solomon
Spratt
Stokes
Studds
Stupak
Talent
Tanner
Thompson
Thornton
Thurman
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (PA)
Weller
Whitfield
Williams
Wise
Wynn
Yates
Zeliff
Zimmer

NOES—206

Abercrombie
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Becerra
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Chambliss
Chapman
Chenoweth
Christensen
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
DeLay
Diaz-Balart
Dickey
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Edwards
Ehlers
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Foley
Fowler
Franks (NJ)
Frelinghuysen
Frost
Funderburk
Gallegly
Ganske
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hefley
Herger
Hobson
Hoke
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kim
Kingston
Knollenberg
Kolbe
Lantos
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lofgren
Lucas
Matsui
McCarthy
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Rose
Roth
Roybal-Allard
Royce
Salmon
Scarborough
Schaefer
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Stark
Stearns
Stenholm
Stockman
Stump
Tate
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Torres
Vucanovich
Walker
Waxman
Weldon (FL)
White
Wicker
Wilson
Wolf
Woolsey
Young (AK)
Young (FL)

NOT VOTING—13

Brewster
Emerson
Fields (TX)
Gephardt
Harman
Johnson (SD)
Lincoln
McDade
Peterson (FL)
Ramstad
Schumer
Tauzin
Torkildsen

□ 1304

The Clerk announced the following pair:

On this vote:

Mr. Gephardt for, with Ms. Harman against.

Messrs. LANTOS, PAXON, and POMBO changed their vote from ''aye'' to ''no.''

Mr. MORAN changed his vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WATTS of Oklahoma. Mr. Chairman, on rollcall No. 260, I inadvertently voted ''yes.'' I intended to vote ''no.''

AMENDMENT OFFERED BY MR. SHADEGG

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Arizona [Mr. SHADEGG] 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 168, noes 254, not voting 12, as follows:

[Roll No. 261]

AYES—168

Allard
Archer
Armey
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bilirakis
Bliley
Boehner
Bonilla
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Camp
Campbell
Canady
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Deal
DeLay
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehrlich
English
Everett
Ewing
Franks (CT)
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gillmor
Goodlatte
Goodling
Graham
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Heineman
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
King
Kingston
Klug
LaHood
Largent
Latham
Laughlin
Linder
Lipinski
Longley
Lucas
Manzullo
McHale
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Montgomery
Moorhead
Myers
Myrick
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Quinn
Radanovich
Riggs
Roberts
Roemer
Rohrabacher
Royce
Salmon
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shays
Shuster
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Visclosky
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wolf
Young (AK)
Young (FL)
Zimmer

NOES—254

Abercrombie
Ackerman
Andrews
Bachus
Baesler
Baker (LA)
Baldacci
Barcia
Barrett (WI)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Blumenauer
Blute
Boehlert
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Calvert
Cardin
Castle
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Ehlers
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Goss
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hastings (FL)
Hayes
Hefley
Hefner
Hilliard
Hinchey
Hoke
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Livingston
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Nethercutt
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Pryce
Quillen
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schiff
Schroeder
Scott
Serrano
Shaw
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Spence
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Vucanovich
Walsh
Ward
Waters
Watt (NC)
Waxman
White
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zeliff

NOT VOTING—12

Emerson
Fields (TX)
Gephardt
Harman
Johnson (SD)
Lincoln
McDade
Peterson (FL)
Ramstad
Schumer
Tauzin
Torkildsen

□ 1312

The Clerk announced the following pair:

On this vote:

Mr. Emerson for, with Ms. Harman against.

Mr. YATES changed his vote form ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. TORKILDSEN. Mr. Chairman, this morning I was in my district on official business. Had I been present, I would have voted on three rollcalls: ''yea'' on rollcall 259, ''yea'' on rollcall 260, and ''nay'' on rollcall 261.

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

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

There was no objection.

Mr. POSHARD. Mr. Chairman, the committee report includes language indicating an expectation that the Forest Service will not engage in any below cost timber sales. Does the chairman agree that this provision should be applied to hardwood timber stands but should not preclude the Forest Service from taking out pine stands in order to reforest the Shawnee with native hardwoods.

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

Mr. POSHARD. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, it is the committee's belief that we should avoid below cost timber sales on the Shawnee, but the removal of pine to restore hardwoods may be done at the lowest cost possible.

□ 1315

Mr. POSHARD. It is my understanding from forest management that taking out the pines will actually enhance habitat for the Indiana Bat and other species with which the committee is concerned. Does the committee believe that it would be appropriate to remove pine stands and replace them with hardwoods in order to protect that habitat and those species?

Mr. REGULA. That is the committee's view.

Mr. POSHARD. Mr. Chairman, there is further direction regarding clearcutting. Is it the committee's intent to keep the Forest Service from clearcutting hardwood stands?

Mr. REGULA. That is the committee's position.

Mr. POSHARD. Mr. Chairman, I appreciate the committee's indulgence.

AMENDMENT OFFERED BY MS. FURSE

Ms. FURSE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. FURSE: 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 or otherwise made available in this Act (including funds appropriated or otherwise made available for salaries and expenses of employees of the Department of Agriculture or the Department of the Interior) may be used to prepare, advertise, offer, or award any contract under any provision of the emergency salvage timber sale program established under section 2001 of Public Law 104–19 (109 Stat. 240; 16 U.S.C. 1611 note).

The CHAIRMAN. Pursuant to the order of the House of Wednesday, June 19, 1996, the gentlewoman from Oregon [Ms. FURSE] and a Member opposed, the

gentleman from Ohio [Mr. REGULA], will each control 30 minutes.

The Chair recognizes the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, I am here today to participate in a bipartisan amendment which will fix the biggest environmental mistake of the 104th Congress. That mistake is the so-called emergency salvage timber program, passed as a rider last July, which suspended all environmental laws in every national forest in the country.

Now, America is a nation of laws. Americans are law-abiding citizens. But the salvage rider has put logging outside the law. No other industry in this country is allowed to operate outside the law. By circumventing the normal avenues of public input, the rider has reignited a war in the woods.

I do not oppose logging, no one who has cosponsored this amendment opposes logging, as long as it is done in compliance with our environmental laws.

Let me be very clear. State and private citizens must comply with State forest lands on their property. Why should the Federal Government not do the same on Federal lands?

This amendment is a modest amendment. It just asks that we not spend money outside the law.

The salvage rider was not what it seemed. Although touted as an emergency measure to cut dead and dying timber, the rider has been used to clearcut healthy forests, including some hundreds of years old. For example, less than 40 percent of the trees in the Shanty salvage sale in California had any signs of mortality.

I have with me a picture, and my colleagues can see that there is a blue X on this very large, very old tree. This is going to be cut under salvage, not these skimpy little ones on the side. The big one.

Cutting without consideration for environmental law also harms wildlife and fish populations. That is why this rider was opposed by commercial and sports fishing organizations nationwide. This includes the Pacific Coast Federation of Fishermen, the largest commercial fishery organization in the west.

Now, as I say, this is a picture of what these so-called salvage riders are. This is a healthy, 350-year-old ponderosa pine. It is not dead, it is not dying, and yet it would be cut without compliance to environmental laws.

The salvage rider has also been costly to the American taxpayer. It will end up costing the American taxpayer millions of dollars by requiring it to subsidize bargain-basement logging in our national forests.

What our amendment does is fairly modest. It just says that no money can be used by the Forest Service from this appropriation outside of the law. In other words, the Forest Service must log under the environmental laws which were put in by this Congress and other Congresses to say we need some oversight.

One of the problems about giving enormous power to a Federal bureaucracy, which is what the rider did, is that can we really trust that they can do this without some oversight? Our amendment says that there will be oversight, there will be environmental protection, but there will still be logging. We do not oppose logging; we just oppose lawless logging.

Mr. Chairman, I should say right now that hundreds and thousands of Americans support that. In fact, a nationwide poll found that three-quarters of all Americans asked opposed lawless logging, and I urge a ''yes'' vote on the Porter-Yates-Furse-Morella amendment.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield to me?

Ms. FURSE. I yield to the gentleman from Washington.

Mr. DICKS. I just want to clarify a couple things about the amendment.

Is it the intent of the sponsors of this amendment that it would affect only timber salvage sales that would be offered after October 1, 1996? In other words, it is not going back retroactively?

Ms. FURSE. That is absolutely correct, I say to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Is it the sponsor's understanding that the so-called section 318 sales authority would expire on September 30, 1996?

Ms. FURSE. Yes, they unfortunately would not be affected by this amendment.

Mr. DICKS. Is it also true that the salvage provision enacted last year would expire on December 31, 1996, but for your amendment?

Ms. FURSE. That is correct. That is correct, Mr. DICKS.

Mr. DICKS. Is it the sponsor's understanding that salvage sales offered under her amendment after October 1, 1996, would be conducted under all existing environmental law?

Ms. FURSE. All existing environmental law.

Mr. DICKS. I appreciate the gentlewoman yielding to me on this issue.

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

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Alaska [Mr. YOUNG], chairman of the Committee on Resources.

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

Mr. YOUNG of Alaska. Mr. Chairman, I rise in strong opposition to this amendment. First, let us understand it is being offered primarily for window dressing for the President of the United States because this was objected to by the environmental community saying this was an awful rip-off to the taxpayers. Let us just think for a moment what this does.

This amendment would halt all of President Clinton option 9 sales relief by the rescission law. Now keep this in mind: Even President Clinton sales would be halted. This is what he signed off in the Northwest. He agreed to this. I believe the author of the amendment agreed to it. It would halt all salvage sales and force expensive, time-consuming reprocessing of dead tree sales.

This means sales that should have happened, that timber will rot and burn, rot and burn, and some would say this is natural. Well, I just want to ask my colleagues how many of them have ever gone to a forest fire or fought a forest fire. Alaska has just gone through two big ones, primarily because most of the timber burned that should have been harvested because it was dead. And that is going to happen all over the United States of America wherever there is national forest.

The forest health is in jeopardy because we have a philosophy today that trees will live forever. The idea that 350-year-old ponderosa pine would be healthy is ridiculous. If we cut that tree down, we find it is rotten at least 85 feet into the tree, at least 3 feet across. It is a dying, dead tree. But there will be a new tree if that tree is to be removed in a sound, environmental way. If we let it burn, it will not. Let it burn twice, which it can, there will be no growth for a period of years. In fact there will be about 40 to 50 percent, if this amendment is adopted, of what remaining sales we have left in national forests will be lost.

On top of that, this probably will be litigated, costing the taxpayer money and actually eliminating what chance these small communities have to survive.

Now, we heard a lot about the gentleman from California [Mr. RIGGS] yesterday and his small farmers, his small ranchers because of the murelette. Small mills in the northwest, mills that have been harvesting these timber trees, these salvage trees, will be stopped dead in their tracks. No timber means more mills will be closed in Washington, Oregon, and California.

Jobs. American people will be put out of work. Already now, and think about this, 239 mills employing thousands of Americans have been closed in Washington, Oregon, and California since 1989, a period of 7 years. We have lost an industry. We are importing our fiber today. We have lost an industry, and the jobs are important to this Nation.

But more than that, the taxpayer will pay. We talked yesterday about subsidized roads. We talked the other day about subsidized timber harvesting. We talked about the taxpayer paying. Well, think about it a moment. Already we put thousands, approximately over 100,000, jobs, related taxpaying jobs, out of business because of actions of this Congress, this administration, and those interest groups that decide logging is not part of our society. A renewable resource is no longer to be utilized as it is used around the world. It will also expose this government to millions of dollars in contract breach claims for timber harvested during the last 3 months of the period during the salvage law in effect.

This salvage law will expire December 1996. That is only 6 months away. All we are asking in reality is to implement the act as it was placed in the last session, let it be fulfilled, review it as that time, and if we can show that the salvage act itself has provided jobs, it has increased the health of the forests, we can then address it. But now to politically offer an amendment to make the President look well and good in the environmental community I think is uncalled for.

What has happened with the concept of sound scientific information about the timber? And I have talked to the forest industry scientists and will tell my colleagues today that right now the private timberland, not the Federal timberland, one-third of the land mass is producing two-thirds of our fiber today because it is managed appropriately. The national forest is not being managed. We are allowing that forest to decay, to rot, to fall and, in fact, to burn, and that is not called for.

Ms. FURSE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I thank the gentlewoman for yielding me time, and I compliment her on the great leadership she has shown on this and other important environmental issues.

With the greatest respect for the gentleman from Alaska [Mr. YOUNG], I think he is got it exactly backwards. Last year in the rescission package in the full Committee on Appropriations, the amendment on salvaged timber was offered. No one, to my knowledge, had any notice that it was going to be offered. It was 7 or 8 or 10 pages long; 13 pages long, I am told. It had never had a hearing anywhere in the Congress, and suddenly it was offered as an amendment to an appropriation bill without anybody realizing the implications of what was involved.

□ 1330

There have been tremendous problems ever since, Mr. Chairman. The salvage timber rider, so-called, has caused a much greater problem than was originally envisioned, and that was a great problem, indeed. As I have learned from my constituents, local and national environmental groups, and local and national news reports, the provision has been interpreted by the logging companies and enforced by the courts much differently than was apparently originally intended. This is a flawed provision that we approved before knowing its full consequences, before any hearings, as I say, before understanding what was being done.

When these problems were realized, we should have addressed them. Now we have waited almost 1 year, and it is certainly time to fix the mistakes that have been caused. As Members will recall, the provision attached to the emergency rescission bill which provides aid to victims of the California earthquake and the Oklahoma City bombing, was to provide for the removal of dead and dying trees for the overall improvement of forest health on Federal lands.

As indicated by the national news, much more is being cut than salvage timber. In fact, I have learned from many sources, including local loggers in the Pacific Northwest, that dead and dying trees are in some cases not being touched, it is the old growth forest that is being harvested under this law. The salvage timber provision is superseding the carefully crafted environmental and natural resource laws that previously regulated logging in the Pacific Northwest.

One of the greatest problems with this provision is the broad-range definition of salvage timber. The definition includes dead, dying, diseased or associated trees. Basically, this definition allows loggers to use their own judgment in determining which timber stands to cut.

I support, Mr. Chairman, the need to keep our great forests healthy, but the salvage timber rider is not attaining this goal. We are misleading ourselves to think otherwise, and it is time to correct this serious problem. I hope Members will support this amendment so we can move into constructing good legislation that will promote the original intention of healthy forest management.

Ms. FURSE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT].

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

Mr. BOEHLERT. Mr. Chairman, I thank my colleague for yielding time to me.

Mr. Chairman, I rise in strong support of this amendment, which would prohibit the expenditure of funds to implement the so-called salvage rider.

I use the term ''so-called'' advisedly because the salvage rider has turned out to have very little to do with salvage logging—that is, with taking dead trees out of forests. In fact, true salvage logging was already permitted before passage of the rider, which was sold to this body under what can most generously be considered false pretenses.

We were told the salvage rider would apply only to dead trees. In reality, healthy, green trees, account for up to 50 percent of some salvage sales.

We were told the salvage rider would increase Federal revenues. In reality, the rider has cost taxpayers millions of dollars by mandating subsidized timber sales.

We were told the salvage rider would have a minimal impact on the environment. In reality, the rider has damaged our Nation's forests while preventing any citizen suits to redress the situation.

In passing this rider, the House was sold a bill of goods. The public interest demands that the salvage rider be reversed so that we stop damaging our forests, sapping our treasury, and silencing public input.

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. BUNN], an excellent member of our subcommittee.

Mr. BUNN of Oregon. Mr. Chairman, I rise in opposition to the Furst amendment. I would like to correct a few things that I believe were inaccurate when they were stated before. I heard it mentioned that there had not been a single hearing. In fact, on February 28, 1995, before this was taken up, there was a hearing. There have been seven oversight hearings since then, four in the field, two in Washington, DC, and one with the Senate.

Also, I think there needs to be a clear understanding that this does not exclude environmental concerns. An environmental assessment is required, a biological evaluation is required, and it is solely at the discretion of the Secretary of Agriculture or the Secretary of the Interior, as appropriate, to decide whether or not to allow these sales to go forward.

So, Mr. Chairman, there may be some concern about whether or not the administration is adequately following the concerns; but it is interesting to me, this is something that we had a hearing on, we have had a series of hearings on. We debated this in the House. We have debated in the Senate. The administration initially vetoed it, came back, worked through the process again. Then the administration went to court to try to block what they signed, apparently saying they did not understand what they signed. Maybe they should pay a little more attention to it.

In fact, it is a good law that is working. Never have we claimed that there would only be dead trees. The idea of dead and dying trees, when there are diseased and dying trees, the needles may not be off, but that tree may be dying and may infest other trees. You may see a green tree or a number of green trees that are, in fact, diseased and need to be harvested to protect others. It is a good bill. This amendment is opposed by the United Paperworkers International Union, the Western Council of Industrial Workers, and the American Forest and Paper Association, among others, because we need the ability to get in and harvest these trees.

The Clinton administration has absolutely dismally failed to deliver on the Northwest forest plan. This has given us some hope that there would be timber in the supply line until we can get that straightened out. It is important to understand that the appeals have been abused in the past, to simply endlessly appeal the salvage logging until those logs have rotted and it becomes a moot point.

We can no longer allow that. We have to expedite those sales, because these are not healthy standing trees that we can debate for the next 5 years and harvest or not harvest. these are trees that are dead or dying, and will rot without this expedited appeal, so I urge

Members' opposition to the Furse amendment.

Ms. FURSE. Mr. Chairman, I yield 2 minutes to the gentleman from illinois [Mr. YATES], the ranking member of the subcommittee.

Mr. YATES. Mr. Chairman, I rise in strong support of the amendment offered by the gentlewoman from Oregon [Ms. FURSE] and the gentleman from Illinois [Mr. PORTER]. I had intended to offer a similar amendment, but I defer to my distinguished colleagues.

Mr. Chairman, this amendment would finally end the disaster of the salvage timber rider that was attached to last year's rescissions bill. with respect to what my good friend and colleague on my subcommittee said about having held hearings, there were no hearings by the Committee on Appropriations before this amendment was presented to the Committee on Appropriations as an amendment to the rescissions bill. There may have been hearings later, but none were held, to my knowledge, by the Committee on Appropriations.

Mr. Chairman, the rider contains so-called sufficiently language which shuts out the general public by barring legal challenges and preventing public comment periods. The salvage rider has caused enormous damage to rivers and streams in the Northwest, leading to the death of thousands of trout and salmon.

It is now painfully clear that in short-circuiting the process and exempting timber sales from the environmental laws, which is what the amendment does, which is what the Taylor amendment did, irreparable harm to the fragile ecosystems was caused to our national forests.

This is what some of the newspapers in the area have said. Salem, OR:

> The streams that supply Salem's water run brown with silt and mud—much of it from logging roads and clear cuts. We're drinking, or trying to drink, the mucky runoff from sloppily built logging roads that crisscross our mountains and from forest clear cuts.

Mr. BUNN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. BUNN of Oregon. What is the date of that newspaper article, if I may ask the gentleman, Mr. Chairman?

Mr. YATES. It is February 21, 1996.

Mr. BUNN of Oregon. Was that article talking about the floods in the Northwest that had nothing to do with the salvage logging, or was it in fact speaking directly about the salvage logging?

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. TAYLOR], a distinguished member of the subcommittee.

Mr. TAYLOR of North Carolina. Mr. Chairman, my good friend, the gentleman from Illinois, SID YATES, and I have served together on the committee and gone back and forth on questions of forestry. There is enormous pressure in this country from organizations that take in hundreds of millions of dollars, scaring people, and they want to continue to do that. That is why a lot of misinformation has been put out. I am afraid some of my colleagues have gotten hold of it and believed it.

Mr. Chairman, my colleague who got up a moment ago and said that we had cut green trees in salvage, it is absolutely misinformed. I will pay $1,000 cash today if anyone can bring me evidence of any green tree that has been cut under the salvage bill. We are not talking about the 3–18 amendment that was made taking older sales that were set aside long ago and had been under appeal, we are talking about the salvage bill.

For instance, I have seen a piece of information here showing pictures put out by folks who said, ''The tree below is more than 700 years ago. It was cut down because Congress passed a salvage rider which has allowed large-scale harvesting of America's oldest and most valuable trees.''

I presume that is talking about the 3–18 sales which Mr. Clinton endorsed under his option 9. It has to be, because the picture was made in March of 1995, about 4 months before the salvage legislation passed. So it would be impossible for salvage and difficult for that to be involved in 3–18.

Mr. Chairman, the situation that we find with other pictures, last night we were shown a picture on the floor that purportedly was damaged by logging roads. In the Senate, that picture was used months ago, and it was supposed to be salvage damage. It looks like something out of the 1890's, with tailings from a mine. Soon it will be used in the debate for the Johnstown flood.

I do not know what we are proving by bringing up photographs that purport to show damage in forests that were taken months and sometimes years before the bills were even passed. But clearly this is misrepresentation. The timber salvage legislation that was passed is doing its job. It is doing it slowly, because there is much resistance from the administration; not inside the Forest Service, but from the administration.

We are finding in the South as to disease-infected timber, it is already being put on for sale, and it is important that that be done, because if we have 100 acres of insect-infested timber inside the Forest Service, if you do not take out the host trees, and that includes some green trees, because trees that are dead or the insect has already left, they are hosting in the periphery green trees around it.

So when the forest silviculturist goes in, he has to determine those trees where the host is. Some of those trees are still green, but they will be dead in a matter of weeks or months, so he cuts out the area where the disease, where the insect is, and he harvests that.

The Forest Service has been very careful, being under the watchful spotlight of Congress, it has been very careful to see that nowhere has it abused it, and we cannot find a single example of that abuse that has been presented to Congress, either in our hearings on salvage or in any other area.

We are beginning to remove diseased, dead, and dying timber from the forest. It is being done profitably at the individual sales, and it is being done in a way that is good for the environment. Nowhere can I find these people who rave and rant because of the pressure from environmental organizations that they are saving the forest, can they say what are they going to do when they destroy the use of wood.

The Sierra Club voted 2 to 1, no cutting in the national forests. When we kill the jobs, kill the harvesting of our forests, when we no longer have wood for the tables and the multitude of chemicals and other things we use it for, they do not tell you that we have to replace it with finite, finite materials such as plastic, where the oil has to be imported, where the toxicity and spills in manufacturing as much greater than it is in wood processing, and that is harmful to the environment.

No. The information being put out that I just mentioned, that is false information and misleading information, is what is being used, and serves as environmentalism today. We need honest debate on this question, and we need to keep the timber salvage bill.

Ms. FURSE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the photo that was referred to has no affiliation to this amendment and no relevance to the debate. I am holding in my hand a list of salvage rider sales—107 of these have substantial green tree components. I am not going to hold the gentleman to his $1,000, but there are many, many sales that have a significant amount of green timber.

Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from Maryland. [Mr. GILCHREST].

□ 1345

Mr. GILCHREST. I thank the gentlewoman for yielding time.

Mr. Chairman, I would like to make sure that I am not here defending any special interest environmental group who may or may not he against all logging or against salvage logging. But I am here as a result of trying to make some sense out of a very complicated issue, logging on our Nation's forests.

It is my understanding that in 1987 there were 11.3 billion board feet harvested off of America's national forests. In 1994 that dropped to 3.4 billion board feet. Perhaps in 1987, 11.3 billion board feet was too much. In 1994, as a result of the forest health problems that we are seeing, the 3.4 billion was not enough. As a result of that, we see some pretty severe problems in our Nation's forests.

What I would like to say, though, which is my problem with the timber

salvage sale, is that I realize we have to get the dead and dying trees out, we have to get the insect-ridden trees out, and we have to create a management scheme that is going to make sure that we manage our national forests so that they can recycle themselves and we can get the wood for America, people can have jobs, and we can still have a suitable environmental condition so that our forests will be sustainable for the future.

But the crux of this legislation, the timber salvage legislation, included in it a requirement from Congress that you can virtually eliminate some of those safeguards and best management practices for a healthy forest as far as environmental conditions are concerned.

It was said earlier by the gentleman that the Secretary of Agriculture and the Secretary of Interior have some discretion about how to manage these things, but let me read from a directive. Here is what a Federal court said about the amount of discretion that both of those Secretaries have:

> The Kentucky court noted that sales were exempt from all Federal environmental and natural resource laws, something Congress unquestionably has the power to do.

And then the court went on to say:

> As Congress is the fountainhead for all environmental and natural resource laws, it clearly has the power to create blanket exemptions from those same laws. Although the wisdom of such exemptions might be debated, the authority to exempt is incontrovertible.

That sends a powerful message to the Secretaries of both of those departments to pull back from more suitable, manageable environmental procedures.

I know we have to take those logs out of those forests and we better do it as fast as we possibly can, but we do not want to do it at the damage of other habitat concerns, other environmental concerns, stream concerns, spawning areas for fish. What about other people in those areas and the way they make their living?

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

Mr. GILCHREST. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, the act said, and I quote:

> The scope and content of the documentation and information prepared, considered and relied on under this paragraph is at the sole discretion of the Secretary concerned.

If I read that correctly, the Secretary has sole discretion to approve or disapprove a sale.

Mr. GILCHREST. If I could reclaim my time, when this is evaluated that statement sounds pretty promising, but when it is evaluated as far as the interpretation of the courts is concerned, the ramifications of that are not the same from your interpretation of the language to the court's interpretation of the language.

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

Mr. GILCHREST. I yield to the gentleman from Minnesota.

Mr. VENTO. I appreciate the gentleman from Maryland yielding.

Mr. Chairman, the fact is when this was taken to court, the Secretary was forbidden to use his discretion. He said that this waiver, he could not apply any of these standards, and his attorneys, the attorneys for both the Secretary of Interior and Agriculture, advised them, unless they wanted to go to jail, that they had better meet the volume numbers and the prescriptions of these salvage sales.

The fact is that they tried. That is, Secretary Babbitt and Secretary Glickman both made extraordinary efforts to the point that they were being criticized in some of those hearings as not complying with the timber rider.

Mr. GILCHREST. Mr. Chairman, reclaiming my time, I think, just from my judgment, we have managed the National Forest Service over the years in a way that certainly needs improvement. We all know that there are extreme environmentalists out there certainly that do not want any logging in any national forest. I certainly am not for that. What we need is some commonsense, reasonable management practices injected into the whole process.

I urge support for the gentlewoman's amendment.

Mr. KOLBE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I thank the vice chairman for yielding me the time.

Mr. Chairman, first of all the gentleman from Illinois [Mr. PORTER], who I guess had to leave, claimed that the timber salvage legislation was some sort of clandestine measure forced upon the Congress in the dead of the night.

I would like him to note that the legislation was the result of 5 months of open legislative debate, lots of give and take, because some of us were involved in those meetings between the administration and the Congress. It expedites the procedures by which agencies, the Bureau of Land Management and the Forest Service, salvage dead and dying trees nationwide and it insulates from judicial challenge green timber sales prepared under the President's own forest plan, the Northwest Forest Plan, which has already been found by the courts to comply with environmental laws.

So what is going on here? The most liberal allies of the administration, those who pander to the extreme fringe of the environmental movement, are applying pressure on the President to reconsider the legislation he signed into law and renege on the commitment he has made to the people of the Northwest in our timber-reliant towns and our timber-reliant counties. That is what is going on here.

So we are talking about now potentially, just as we begin to get salvage sales into the pipeline, shutting down the program altogether, stopping a program that helps with fire suppression, promotes good forest health by removing diseased trees and most importantly puts our people back to work.

I want to go back to that give-and-take, those negotiations between the administration and the Congress, and I want to introduce for the record a letter on White House stationery dated June 29, signed by the President of the United States. It is to the Speaker of the House, NEWT GINGRICH, and it says: ''I want to make it clear that my administration will carry out this program,'' referring to the timber salvage program, ''with its full resources and a strong commitment to achieving the goals of the program. I do appreciate the changes'' I am speaking directly now to the people who are arguing for this limitation amendment or to repeal the program altogether ''that the Congress has made to provide the administration with the flexibility and authority to carry this program out in a manner that conforms to our existing environmental laws and standards. These changes are also important to preserve our ability to implement the current forest plans and their standards and to protect other natural resources.''

''The agencies responsible for this program'' again BLM and the Forest Service ''will, under my direction,'' says the President of the United States, ''carry the program out to achieve the timber sales volume goals in the legislation to the fullest possible extent. The financial resources to do that are already available through the timber salvage sale fund.''

That is June 29 of last year.

Less then two months later, August 11, again on White House stationery signed by the President of the United States:

> As you know, I signed the rescissions bill because it helps to reduce the deficit further. However, I opposed the salvage logging provision as it threatens to impair, rather than promote, sustainable economic activity.

In other words, the devil made me do it. It is a little bit like going to Houston and telling an audience of prominent Democratic fund raisers that House Republicans forced the President of the United States to impose the largest tax increase in the history of this country. It is a little bit like the same thing.

Mr. Chairman, I just want to speak for a moment on this amendment because it is absolutely unnecessary. The administration has enough flexibility to address environmental concerns under the legislation as the President pointed out in his June 29 letter.

So while we have timber-dependent communities throughout the West that remain one step from the unemployment line and while the health of our forests in California and across the West continue to decline because they are not managed properly, and that is what this is, it is a forest management program that is good for fire suppression purposes and good for the health of the forest, we now have those out here on the floor calling irrationally for the termination or the repeal of this new program.

Here is why this call is irrelevant. First of all, regarding salvage sales. The administration has the sole discretion to offer salvage sales. Salvage sales are composed by doing an internal administrative environmental review under NEPA and under the Endangered Species Act.

To illustrate this point for the gentlewoman from Oregon [Ms. FURSE], on April 3, a few months ago, the region 5 forester, Lynn Sprague, whom the gentlewoman probably knows and has dealt with, canceled a large salvage sale in northeast California of 2.5 million board feet in the Lassen National Forest.

I have spoken to Mr. Sprague and Mr. Sprague has publicly commented that he cancelled this sale because of, quote, ''escalating public concerns in an area that was scorched by a 1994 fire.''

There is no reason to terminate this funding or repeal the program that is in fact working. It is environmentally responsible. For 9 months this administration has claimed it is without flexibility when addressing areas affected by the timber salvage law and have demanded that Congress rectify the damaging effect of this legislation, and now it seems the administration does have the flexibility it has so long demanded to enforce this program.

Ms. FURSE. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MCDERMOTT].

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

(Mr. MCDERMOTT. Mr. Chairman, this is truly an interesting day because we had the last speaker saying trust the bureaucrats. That is the first time I have ever heard anything like that come from that distinguished gentleman. But the issue here is very simple. The Forest Service has two kinds of sales. One are green sales, one are salvage sales. They have a salvage program that in 1994 amounted to one-third of the sales done, was almost 1.5 billion board feet under that salvage sale. What this rider did, which was without hearings, was to take away any environmental legislation concerns about those salvage sales. It simply said, do whatever you want, disregard every other law on the books with respect to the forest.

The gentleman from Oregon [Mr. BUNN] says there was a hearing. Yes, there was a hearing, I say to the gentleman. It was in the Committee on Agriculture, it was on the health of the forests. This language that was adopted on the floor of the House was never heard in any committee, was never discussed, it was brought out here, dropped on us and it passed.

So the gentleman must not mislead the people in that respect. This language was never before a committee.

The President said that this language that was passed out here, at first he thought he had the capacity to deal with the problems. But the fact was it went to court and he lost that kind of flexibility.

The most recent letter from the White House, March 13, 1996, and this is to one of the Members of the other body, says:

> I write to convey my strong support for your amendment to repeal the timber rider attached to the 1995 Rescissions Act.
>
> Judicial interpretation of the timber rider, as it has been applied to old growth forests, has broadened the Act's requirements to the point that it undermines our balanced approach to ensuring continued economic growth and reliable timber supply in concert with responsible management and protection of our natural resources for future generations. The timber rider must be repealed as soon as possible.

It was done because when it went to court, he lost the capacity to say, this sale cannot happen. What it allowed was the bureaucrats in the Forest Service to take an old green sale, redraw the lines and make it a salvage sale and, therefore, it has no environmental protection. The green sales still have environmental protection but salvage sales do not. So if you draw the lines on the map, add a few trees with a few worm holes in then, you can take away any environmental protection for the forest. This is the essence of this and that is why it should be repealed.

□ 1400

Mr. KOLBE. Mr. Chairman, I yield myself 30 seconds, before yielding to the next speaker, to correct a statement of the last speaker when he said that there was no requirement to follow the law. The law is fairly clear here that the Secretary has to prepare a document for each salvage sale that combines an environmental assessment under the NEPA, the National Environmental Policy Act, and a biological evaluation under the Endangered Species Act. The Secretary must follow the law.

Mr. Chairman, may I inquire how much time there is on both sides here?

The CHAIRMAN pro tempore (Mr. BUNNING of Kentucky). The gentleman from Arizona [Mr. KOLBE] has 12 minutes remaining, and the gentlewoman from Oregon [Ms. FURSE] has 9½ minutes remaining.

Mr. KOLBE. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. NETHERCUTT], a distinguished member of the subcommittee.

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

Mr. Chairman, I want to put this into perspective. This amendment as it relates to Oregon and Washington, I am a member of the Subcommittee on Interior of the Committee on Appropriations. We had a hearing earlier this year with Jack Thomas, the head of the Forest Service testifying. I raised an issue with Mr. Thomas about the Loomis State Forest in Washington State. It has gone from an infestation of mountain pine beetle starting at 50 acres; it is now about 55,000 acres. It is spreading rapidly east toward the Okanogan National Forest.

I said: Mr. Thomas, how do we solve this problem? How do we stop this infestation and the spread of this infestation that is ruining our State forests and is going to threaten our national forests?

This is what he said. He said: This infestation has swept across eastern Oregon, I say to my friend from Oregon, from one end to the other, and stopped when it got to the Cascades and ran out of lodge pole pine.

Basically, I want to draw the attention of this quote to the gentlewoman from Oregon, Ms. FURSE, and the gentleman from Washington, my friend, Mr. MCDERMOTT. Basically it is a salvage operation in silviculture. And then he says for the people that are into this, and this is a little hard, a little bit hard to sell publicly, once you have an infestation moving at epidemic proportions and start to see the beetle hits, you will see the pinch tubes on the trees a year or 2 years before a stand starts to go in total. Salvage is the answer, or move ahead of the infestation with green sales.

It is a little hard to sell to the public that we really know that this is going to happen. They do not believe it until they see the dead trees.

Now, let us put this into perspective. This debate that has taken on a flavor of, if you are in favor of salvage timber, saving forests, then you are antienvironmental; and I am offended by that. I think that is incredible for the other side to argue this because that is not fair.

The point is you have got the Loomis State Forest heading east infesting possibly the Okanogan National Forest, the Colville National Forest in my district, and we are now making the lumber and timber communities powerless to do anything about it. This salvage amendment again, it is either green sales to get ahead of the disease or it is salvage timber operations. This is a bad amendment.

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

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

Mr. DICKS. This is one thing I think that is widely misunderstood. People talk about the fact when you do a salvage sale and you have these dead trees laying there, well, they took some green trees. What they forget is that the bug infestation has gone from the dead trees into the surrounding green trees. So, some of those have to be taken in order to stop the infestation from spreading further.

It is not because they are trying to undermine the environmental laws or doing something awful. It is because of honorable silvicultural practices.

Mr. NETHERCUTT. The gentleman is correct. We are trying to save the system.

Ms. FURSE. Mr. Chairman, I yield myself 30 seconds.

We still have laws that can do salvage. I am sure the gentleman from Washington [Mr. NETHERCUTT] knows

that. What the salvage rider does is it lifts the laws.

I am all for doing salvage. I think that is a good idea with dead and dying. However, let us not forget that there are laws in the forest to do that salvage environmentally. The salvage rider lifts those laws.

Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the gentlewoman for yielding me the time.

As my colleagues know, I represent Montana. One of our great industries out there is logging. So, let me be clear, I am for salvage sale logging. I am for it done appropriately. It means a lot to the health of our forests and to our economy. So, I was intrigued when this Congress passed this fast track salvage sale bill, and I have watched it plan by plan, tree by tree. I am here to tell Members we made a mistake and we ought to change it.

Now, let me give a couple of examples on the ground in Montana, in the Northern Rockies, in some of the wildest forest land left in this country.

This House, just 2 years ago, voted to put 1.7 million acres of that land in wilderness. This salvage sale logging bill proposed to harvest trees in that very area, and it was so egregious that for the first time in history, a President of the United States and the Secretary of Agriculture had to reach in and lift this 1.7 million acres of Federal wildland so that it would not be under the chain saw of the salvage sale bill. Both green and salvage, dead, dying, diseased timber was to be harvested in the 1.7 million acres that many Members on both sides voted to put in wilderness.

Let me give another example. There is an area in the Gallatin called the Hyalite. Montanans know the name, H-y-a-l-i-t-e. For years the Forest Service ran through the process in their plans, getting public reaction as to whether or not harvests should go forward in that place, and the Forest Service decided not to do it. Now, with this salvage sale bill, the Forest Service has put the Hyalite back up for harvest. If the Hyalite is harvested, more than 50 percent of the timber will be healthy, green timber that is not about to be diseased, because the diseased and dying trees have stopped being diseased. That disease is over.

In the Flathead Forest up near Glacier National Park is some of the great wildland left in this country. During this planning process, the Forest Service has brought harvest plans. I do not mean under the salvage sale bill. But, during the last 10 years of the cycle, the Forest Service has brought harvest plans, tree-cutting plans through the process and at the highest level of the Forest Service in past years rejected those harvests in certain areas. Now, under the salvage sale bill, that green lumber is going back up for harvest.

Does the Forest Service think it ought to be harvested? Of course not. They rejected those plans over the last 10 years. Now under this bill, because the Forest Service is required, particularly by action in the Senate, to meet a certain volume of timber, they are cutting in places in the wildest land left in this country in an egregious manner.

Let me say it again. I am for salvage sales, but enough is enough. The gentlewoman is right about her amendment. We should stop this while we have the chance.

Mr. KOLBE. Mr. Chairman, I yield 30 seconds to the gentleman from North Carolina [Mr. TAYLOR] for a quick response.

Mr. TAYLOR of North Carolina. Mr. Chairman, I hear time and time again from the other side they are for salvage sales. We had salvage sales. Then we had an appeals process that rendered salvage sales useless because the appeals would go on for years. Most of us know this timber has to be cut within 6 to 24 months. So it rendered the whole question of salvage moot, and they know that, because they want no lumber cut, no timber cut in forests.

Today in the Committee on Resources there was a host of people from Montana. The gentleman says he watches tree by tree. Commissioners and foresters were there testifying saying salvage is the greatest thing that has happened to Montana. I would suggest the gentleman talk to those people. They are probably still in town.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, I rise in strong support to the Furse amendment.

Mr. Chairman, let me remind my colleagues that currently over 21 billion board feet of dead and dying timber litter our national forests—enough to build 2 million homes. In some areas 70 to 80 percent of the forests are dead or dying. These deplorable conditions exploded in 1994, as wildfires destroyed 4 million acres of national forest throughout the country including over a half million acres in my own State of California. Common sense demanded enactment of the salvage law to stop this massive destruction of our forests. The salvage law was an emergency, short-term measure intended to jump-start efforts to restore long-term forest health by expediting the removal of dead and dying trees from our forests.

It is the extreme environmentalists, led by the Sierra Club—the richest environmental litigation machine in the world—who are leading the charge to repeal this law and ultimately stop all timber harvests on Federal land—even the harvesting of dead trees.

Mr. Chairman, it is not responsible forest management to let millions of acres of forest rot and die on the stump. I urge my colleagues to act responsibly, to reject the extremism that would rather see a forest burn to the ground than manage it wisely, and help preserve our forests as a healthy, natural legacy for generations to come.

Vote ''no'' on the Furse amendment.

Ms. FURSE. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA], a cosponsor of this amendment.

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

Mr. Chairman, just a little bit of history as a backdrop. It has been over 6 months that my colleague, the gentlewoman from Oregon [Ms. FURSE], launched a campaign and I joined with her, as did many others on both sides of the aisle, to cancel the emergency salvage timber sale rider, aptly named Logging Without Laws. It was signed into law last summer, attached to the fiscal year 1995 supplemental appropriations bill providing emergency relief to Oklahoma City bombing victims.

The rider never received a hearing or a separate vote. It suspends environmental laws pertaining to the cutting of timber on public lands and the results have been expensive to both the taxpayer and the environment. So why do we need to continue it? The Forest Service already has ample authority to do salvage logging without the rider. In 1994, the year before the rider, the age and deceased salvage, 1.5 billion board feet, which is one-third of all Federal timber logged. Then, too, a judicial decision escalated the sales by requiring immediate logging of all previous uncompleted timber sales in the Northwest since 1990.

I certainly have received many letters from people not only in that part of the country but right in Montgomery County, MD. I have one constituent who said he moved to Oregon, could look out his window and he could see these ancient forests being cut. There is a bill that was introduced with 147-plus colleagues to repeal this law gone amok. Passage of the bill would allow forestry issues to be brought up in the proper way before the authorizing House and Senate committees.

I urge my colleagues to allow the Forest Service and Congress to deal with the many important issues involving salvage timber and Forest Service sales, address them with the best science available, with consideration of the environmental economic issues.

Mr. Chairman, I want to respond to something I heard earlier, the so-called forest health justification for suspending laws.

The so-called forest health justification for suspending laws is a sham. Some of these sales are completely green sales in healthy forests; in several other cases, sales which had been regular sales were redesigned—retaining their green component—to be salvage sales. In no case among these sales is there a legitimate rationale based on improving forest health. On the contrary, scientists—including government scientists—repeatedly criticize these sales for their adverse impacts on fisheries, wildlife habitat, soils, and other true measures of forest and aquatic ecosystem integrity. Salvage operations have gone on in our national forests for years and do not depend on suspending the laws.

These sales are money-losers. Except for the sales in the rainforests west of the Cascades, timber sales from very few national forests cover their costs. A recent report by the Government Accounting Office revealed that the National Forest timber sales program lost over $1.0 billion over the period 1992–94. Economics are disregarded with these forest health sales, so as a group they are worse money-losers than normal. Forest Service Chief Jack Ward Thomas has made it clear that there is no way the agency can produce the volume of timber that the forest health rider requires without major sales in roadless areas. But there is a reason roadless areas have not been logged in the past: they are remote, steep, inaccessible, often high elevation, and usually with poor growing conditions. And by definition, they either require the major expense of constructing a road, or helicopter logging which is also costly. It would be hard to design a plan which would more predictably lose money.

ECONOMIC IMPACTS

While a potential boon doggle for large timber companies, PL 104–19 poses a significant threat to local businesses.

Private timber owners are seeing their revenue decline because the new lumber glut stemming from increased subsidized logging on Federal lands.

Commercial and sport fishermen are threatened by impacts unregulated logging will have on fisheries.

Tourism and recreationist businesses which depend on access to national forests people want to see and visit.

Shakespeare said, ''To nature none more bound,'' and Theodore Roosevelt said, ''A real conservative will conserve the environment.''

Mr. KOLBE. Mr. Chairman, may I inquire again about the time?

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] has 6½ minutes remaining, and the gentlewoman from Oregon [Ms. FURSE] has 3 minutes remaining. The gentleman from Arizona has the right to close.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Chairman, I thank the gentleman from Arizona for yielding me the time.

Mr. Chairman, I just want to correct some misinformation that I believe was just delivered. The fact is that if there is a lumber glut in the market in America, it is because we are experiencing so much dumping by Canada of lumber.

□ 1415

Canada is matching 29 percent of the entire market demand in this country, while our forests are subject to fire and disease and insect infestation.

I also want to clear up the fact that this has been brought up for a separate vote. Last September, the Yates amendment was defeated by a vote of 275 to 150. There was a clear vote on this, and indeed just a few weeks ago the Senate voted on the salvage bill to protect the salvage bill.

We sometimes lose common sense in this debate. We talk about ancient forests, but do people not realize that trees have a life cycle just like human beings? They start from a seed. They mature, they grow and breathe, and then they mature and die and fall to the forest floor, and we have what is so aptly called now fuel load. Fuel load means fuel for a lot of fires. Just last year in the Northwest alone, the year before last in the Northwest alone, we experienced 67,000 fires.

Mr. Chairman, if we are not able to treat our forests with the kind of loving care that we treat our gardens and that we prune that which is unhealthy and remove that which does not contribute to the health of the ecosystem, then we are sincerely being negligent of the gem of the Nation, which I believe are our national forests.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY of Oregon. Mr. Chairman, I rise today in opposition to the Furse amendment.

As chairman of the Timber Salvage Task Force, we had 7 public hearings on this particular bill. I continue to be amazed by the rhetoric surrounding last year's timber salvage amendment. So, for a balanced perspective on this issue, let me quote President Clinton from a letter dated June 29, 1995:

> I do appreciate the changes that the Congress has made to provide the Administration with the flexibility and authority to carry this program out in a manner that conforms to our existing environmental laws and standards.

Mr. Chairman, the President could not have said it better, nor myself. There has been a lot of talk about logging without laws, which is absolutely not true. Let us set the record straight.

First, the timber salvage amendment created an expeditious salvage sale procedure for harvesting dead and dying trees. All dead tree sales still must receive an environmental assessment and a biological evaluation.

Second, the amendment requires the release of about 750,000 board feet of section 318 timber sales in Oregon and Washington. The 750 million board feet is well within the 1.1 billion board feet level of President Clinton's own option 9 in the Northwest for the plan laid out. Most of these 318 sales were the product of negotiation between Government, professional environmentalists, and timber salvage during the 1990 appropriation process and were again approved through biological review in the President's own Northwest forest plan.

These 318 sales have already met the appropriate environmental standards. So let us not talk about this. They have already met those.

Finally, the salvage program insulates the President's option 9 forest plan from further judicial challenges. This plan has already been upheld by the courts and meets existing environmental standards.

Ms. FURSE. Mr. Chairman, I would just like to remark, I am amazed at the trust that the former speaker has put into a huge Federal bureaurcracy with no oversight.

Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I rise to support the Furse amendment and to say we should find ways to sustain our forests. We should not find ways to rapidly disregard our environmental standards. This does not mean there are not opportunities to salvage dead and dying timber. But it does suggest that we should not have a salvage program that ignores ecological standards that will sustain our forests.

Ms. FURSE. Mr. Chairman, before I yield to the gentleman from California, I would like to yield 30 seconds to the gentleman from Oregon [Mr. BLUMENAUER].

Mr. BLUMENAUER. Mr. Chairman, I am pleased to add my support for the efforts of my colleague, the gentlewoman from Oregon. One comment I want to make, it seems sort of bizarre for my colleague from Oregon, Mr. COOLEY, to suggest that there were hearings on this. Seven hearings, yes, after the rider was signed into law, after it was passed. That is not how the rest of us in Oregon regard participation.

Ms. FURSE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment.

Mr. Chairman, I rise in very strong support of this bipartisan amendment to repeal one of the most far-reaching and environmentally destructive assaults on our national forests in decades.

Last year the Republican majority unleashed a concerted attack on a host of critical environmental protections: Over many objections, including my own, this body voted to allow oil and gas drilling in the Arctic National Wildlife Refuge in Alaska; to gut the Clean Water Act; to cut hundreds of millions of dollars from low-interest loans to local communities that help keep drinking water safe and beaches swimmable; to slash funding for the Environmental Protection Agency, hazardous waste cleanups, and land acquisition for national parks; and to impose a moratorium on programs that prevent the extinction of endangered species.

Included in this shameful list is the so-called timber salvage provision, which was misleadingly touted as being necessary to reduce forest fires by harvesting dead and dying timber. The sad truth is that it is now being used to clearcut healthy forests in the Pacific Northwest.

Hundreds of acres of irreplaceable old-growth forests have been logged in recent months in Oregon and Washington. Because the measure suspends several environmental laws that help minimize potential degradation of our natural resources, this logging is damaging wildlife habitat and fouling rivers and streams, including spawning grounds for endangered salmon.

And, as if the destruction of acre after acre of forests were not enough, the logging rider is going to cost American taxpayers millions of dollars because mandating subsidized timber sales cost the Federal Treasury more than the revenues they bring in. The Congressional Research Service has estimated that this logging will cost $50 million this year alone.

This amendment simply will ensure that timber sales comply with environmental safeguards. It's hardly a radical idea, and it's good for the environment and good for the American taxpayer. I urge its adoption.

Ms. FURSE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, on this subject of timber salvage, I believe there is a unity of purpose. Those of us from the West and those of us who represent States where this is a serious issue have met time and again with the Forest Service about having a robust and necessary salvage program. But this rider took us far beyond that purpose.

This rider took us far beyond a program that was designed around forest health, because this rider went from forest salvage, to timber health, to logging without laws. This is not about expediting the procedures. This is not about the appeals process. In fact, we heard in the hearing this morning that as timber salvage has gone up to 1.5 billion feet over the last couple years, appeals have been coming down. So it was going in the right direction. But impatience and the ingenuity of the Forest Service working together designed these riders so it would eviscerate all of the environmental laws that you have to deal with in providing for the protections of our forest. It did away with the Endangered Species Act, the National Forest Management Act, the Multiple Use Sustained Use Act, the Federal Land Policy and Management Act, the Forest and Range Wood Renewable Resources Act. Those were wiped out with respect to those sales.

And what happened? The foresters got in there, they found a few trees that needed salvage, they found a few acres in trouble, and they started reconfiguring the sales. As the gentleman from Montana pointed out, pretty soon what we had were green sales that were not previously allowed now being allowed under the rubric of salvage, because no environmental laws were provided. So communities lost control over the forest, communities lost control over the scenic areas, communities lost control over mountainsides important to them for tourism, commerce, and for all of those reasons. Why? Because the laws did not have to be applied, because you could identify some salvage.

Salvage is important and salvage is something that we have generally worked on on a bipartisan basis. The purpose of that was for forest health. This is about doing away with logging without laws.

Mr. KOLBE. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank my colleagues from Arizona for yielding me time.

Mr. Chairman, I listened with great astonishment as once again rhetoric replaces reality. We should strive for a genuine balance of the environment and legitimate economic enterprises. It is well documented that a fire corridor exists from Idaho to Mexico, and yes, even beyond. But there will be new fires prompted by these new prohibitions, by not allowing the salvage of dead and decaying timber. It is as if the new prohibitionists were lighting entire small communities ablaze. It is an outrage. No on this. Yes to economic vitality, yes to a true economic balance. We can coexist, and we need to eliminate the fire hazard.

PREFERENTIAL MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. OBEY moves that the Committees rise and reported the bill back to the House with a recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] is recognized for 5 minutes.

Mr. OBEY. Mr. Chairman, I do not intend to take the 5 minutes, but I do simply want to express my frustration about the fact that this amendment need be here at all. I supported the proposal last year which allowed timber companies to get at what we were told was salvage, and I think it was a rational thing to try to do.

My problem is that, as has been indicated by a number of speakers today, that proposal wound up allowing a lot more than was advertised, and a lot more than it was explained as doing, because in addition to allowing legitimate salvage, it also would up allowing about 50 percent of the timber that was taken from those areas to in fact be green timber. That creates a dilemma for people like me who want to see to it that we do not simply allow timber to rot on the ground, and yet we also do not want to see every environmental law in the country waived in order to enable people to get at live trees.

So I would simply use this motion to say to anyone interested in the issue on the floor, that in the future when issues like this arise, it would be very good for both sides if legislation which is proposed actually does what it is advertised as doing, because I am confident if that proposition in fact had been limited simply to straight salvage, as the House was told it was, we would not have had much of the controversy that has surrounded this ever since.

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

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] is recognized for 5 minutes.

Mr. KOLBE. Mr. Chairman, we certainly would not have done this. We did have a time agreement. Since we added some time on this, there have been some requests for statements to be made on this.

Mr. Chairman, I yield to the gentleman from North Carolina [Mr. TAYLOR], the gentleman in the subcommittee who is responsible for much of this last year.

Mr. TAYLOR of North Carolina. Mr. Chairman, I appreciated the support of the gentleman from Wisconsin [Mr. OBEY] for this bill, and I would tell him today that he has been misinformed about green timber being cut in the salvage area. The Senate included 318 language for the Pacific Northwest. The President endorsed 318 in his option 9,318, by the way, will expire September 30. Therefore, it is really moot, because this bill probably will not be passed much before September 30. So 318, whether it was good, bad or indifferent, will be moot in a few weeks.

The salvage bill has not had green healthy timber cut. As has been explained by the gentleman from Washington [Mr. DICKS], and I explain also, when you have disease, you cut a periphery area where the insects are in a given tree. I would say to the gentleman from Wisconsin [Mr. OBEY], when you were not on the floor I laid out a challenge offering $1,000 if someone could show us a green tree that had been cut in the salvage areas that was not infected or was not part of that proposal.

The thought that we have had 50 percent of the timber that has been cut so far in the salvage areas has been healthy green timber, unfortunately, has not been the case. The Forest Service is under such pressure, they are watching this stick by stick. Nothing came out in the hearings we had across the country. No accusation was made that a single stem of green timber had been cut in the salvage operation. Much of that has been confused with the trees that were cut in the 318 program in Oregon, which had nothing to do with the timber salvage.

□ 1430

So, Mr. Chairman, I would urge that this amendment be defeated.

Mr. KOLBE. Mr. Chairman, I thank the gentleman for his comments.

Mr. BUNN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Oregon.

Mr. BUNN of Oregon. Mr. Chairman, we hear a lot of talk about logging without laws. I want to show an example of two sales in my district that took place as a result of this law. There are a lot of laws. Here are contracts with the studies that went into these sales.

We are not logging without laws. We are logging before the logs rot.

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

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

Mr. RIGGS. Mr. Chairman, I want to thank the vice chairman for yielding to

me, and I want to reiterate again that the President wrote the Speaker on June 29 saying that the changes the Congress had made during the course of negotiations on this legislation would allow his administration to, quote, ''carry the program out in a manner that conforms to our existing environmental laws and standards.''

Another letter signed by the President, August 11:

> The House and the Senate were unwilling to abandon the salvage timber rider, but Congress did accept important changes that will preserve my administration's ability to adhere to the standards and guidelines in our current forest plans.

A letter from Secretary Glickman, dated June 29:

> I want to make clear that the Forest Service will not offer any timber sales under this authority that violate existing environmental standards or the spirit or intent of any environmental laws.

And lastly, March 29 of this year, Secretary Glickman announced an interim rule that provides the Forest Service with the flexibility to offer substitute timber located outside an original sale area on the so-called controversial northwest forest green sales.

This legislation has the necessary flexibility. The Furse amendment is absolutely unnecessary.

Mr. KOLBE. Mr. Chairman, reclaiming my time, I would like to thank the gentleman for his comments, and I want to state under this motion that there have been comments made that there were no hearings on this salvage timber legislation. There were hearings in the authorizing committee. While there may not have been other hearings in the Committee on Appropriations, we debated this extensively in the subcommittee, we debated it extensively in the committee, we debated it extensively on the floor, and we debated it extensively in the conference. This issue has been thoroughly considered.

I would also like to point out this does not affect green timber. This affects only 3 months; 3 months is the only thing affected here, from September to October, of the salvage timber. We have made plans and it is working the way it is supposed to work.

It seems to me to be absolutely the wrong thing to do to try to take it away at this late stage for those final 3 months.

The CHAIRMAN pro tempore (Mr. BUNNING of Kentucky). Without objection, the preferential motion is withdrawn.

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Arizona [Mr. KOLBE] has 2 minutes remaining.

Mr. KOLBE. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio [Mr. REGULA], the distinguished chairman of the subcommittee.

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

Mr. Chairman, first of all, for the Members, I would advise we plan to roll this vote and the next three for a total of four votes. We are doing this to expedite the bill and the time, so we can get finished in a timely manner. So there will not be any more votes until we have had three more amendments in addition to this one.

Quickly, I want to emphasize that the language in the bill says:

> The scope and content of the documentation and information prepared, considered and relied on under this paragraph is at the sole discretion of the Secretary concerned.

This was a compromise when this legislation was passed to give the Secretary sole discretion to determine what sales would move ahead under the salvage provisions. I think that is a great safeguard that should allay fears that some have and that precipitate this amendment.

Second, here is a 2 by 4 that was sent to me. In 1989, this 2 by 4, per foot, cost 22 cents; 1995, 38 cents. Today, it is probably 45 cents. Now, what does that mean? That means that young people that want to build a home are paying double, almost double for a 2 by 4. It drives up the cost of housing and housing is vital to Americans. That is why it is important that we salvage this timber.

Let me lastly say, I went out, I took a trip and went into a forest in the district of the gentleman from California [Mr. HERGER], and actually went up and looked at salvage operations, and they were working exactly as we anticipated in the legislation. They had devices to stake out the dead trees, which I was advised were worth about $1,000 to the taxpayers because that is the sale price of a Douglas fir, and that means that that will help to hold down the prices of these 2 by 4's, although this is pine, for the homebuyers and, particularly, young people that want to get into a new home.

So I urge Members to defeat this amendment. I think that it flies in the face of what we have tried to do to help people and to salvage something of great value to the American public.

Mrs. MALONEY. Mr. Chairman, as we speak, gigantic environmentally devastating salvage timber sales are planned or are now taking place in virtually every national forest in the country from Virginia to California, New Hampshire to New Mexico, Alabama to Alaska.

This is not only a Pacific Northwest issue. In fact, 90 percent of the logging through the salvage rider is occurring outside the Northwest.

Mr. Chairman, we are faced with one of the biggest environmental disasters in decades. Under the salvage program, loggers have cut down healthy green trees in old growth forests. To make matters worse, illegal timber theft has compounded this problem.

A March 1996, Los Angeles Times investigation exposed rampant timber theft throughout the salvage logging program.

We must stop this lawless logging now and save our national forests. Support the Porter amendment. We must stop this environmental catastrophe.

Mr. McDERMOTT. Mr. Chairman, I rise in support of the Furse amendment to prohibit the Forest Service from spending any fiscal year 1997 funds on the implementation of the timber salvage rider. If passed, Representative FURSE's amendment would not limit the amount of green tree or salvage logging on our national forests. The Furse amendment simply would ensure that timber sales in our Nation's forests comply with the Nation's environmental laws.

As many of you are well aware, the timber salvage rider passed the House in 1995 under the guise of improving the health of the Nation's forests by harvesting dead and dying trees. Unfortunately, the rider was purposely engineered to circumvent existing environmental standards so as to allow the clearcutting of old-growth trees.

By circumventing existing environmental, health, and safety standards, the timber salvage rider jeopardizes the critical habitat areas of endangered wildlife. Other negative impacts resulting from the environmentally negligent rider include the harming of already ailing fisheries and the threatening of the water quality of our Nation's streams and rivers.

The timber salvage rider has economic consequences as well. By threatening the health of the forests and the fisheries, the rider is in turn threatening the sports, commercial fishing, and the tourism industries, all of which are economically important to the Pacific Northwest.

Since January 1995, this Congress repeatedly has attempted to roll back the Nation's environmental, health, and safety standards. Passage of the Furse amendment will help reverse this destructive trend.

Ms. PELOSI. Mr. Chairman, I rise in support of the Furse amendment to prohibit the use of funds for the Forest Service Salvage Timber Sale Program that was enacted in the rescissions bill.

The timber rider has placed a for sale sign in front of our forest resources.

The rider was an ill-conceived, destructive logging plan that has caused devastation to healthy timber and, in some cases, entire forests. The rider was not about selective logging, but logging that often affects a wide landscape of rivers, fish, and wildlife dependent on a forest for survival.

Representative FURSE is to be commended for her fight against this controversial, antienvironment rider. She has been steadfast in the battle and has successfully engaged the attention of over 100 Members in the House to cosponsor her rider-repeal bill.

The indiscriminate scarring of our Nation's forests, some of them old growth, in the Northwest cannot be sustained. This is the same short-term thinking that brought us the clearcutting solution years ago where entire mountains of forests were obliterated.

We must approach forest management with a view of sustainability and longevity. Anything less than this will only result in further destruction of lands and habitats that, once lost, cannot be restored.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Oregon [Ms. FURSE].

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

Ms. FURSE. Mr. Chairman, I demand a recorded vote, and pending that, I

make a point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 455, further proceedings on the amendment offered by the gentlewoman from Oregon [Ms. FURSE] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. ISTOOK

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ISTOOK: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used by the Bureau of Indian Affairs to transfer any land into trust under section 5 of the Indian Reorganization Act (25 U.S.C. 465), or any other Federal statute that does not explicitly denominate and identify a specific tribe or specific property, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) a binding agreement is in place between the tribe that will have jurisdiction over the land to the taken into trust and the appropriate State and local officials; and

(2) such agreement provides, for as long as the land is held in trust, for the collection and payment, by any retail establishment located on the land to be taken into trust, of State and local sales and excise taxes, including any special tax on motor fuel, tobacco, or alcohol, on any retail item sold to any nonmember of the tribe for which the land is held in trust, or an agreed upon payment in lieu of such taxes.

The CHAIRMAN pro tempore. The gentleman from Oklahoma [Mr. ISTOOK] and a Member opposed, each will control 10 minutes.

Is there a Member who wishes to be recognized in opposition to the amendment?

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment and would ask unanimous consent that I might yield 5 of the 10 minutes to the distinguished gentleman from Illinois [Mr. YATES], and that he may control that time.

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

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Oklahoma [Mr. ISTOOK] will be recognized for 10 minutes, the gentleman from Arizona [Mr. KOLBE] and the gentleman from Illinois [Mr. YATES] will each be recognized for 5 minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. ISTOOK].

Mr. ISTOOK. Mr. Chairman, this is an extremely important amendment that has broad support all across the Nation, especially from communities that have found just how direly they are being affected. It is based upon the principle that the Federal Government should not subsidize tax evasion, and certainly should not help some people to make megamillions of dollars by offering a way to others to avoid paying State and local taxes.

Specifically, what is happening, through the Secretary of the Interior and the Bureau of Indian Affairs and their ability, with no restrictions, to transfer land to Indian tribes in trust at prime locations along interstate highways and busy intersections, is establishing a way that the Indian tribes are enriching themselves totally at the expense of the State and local governments, which lose the tax revenue by selling goods to non-Indians, who thereby escape having to pay their sales tax, their gasoline and diesel taxes, and their excise taxes, such as cigarette taxes.

Mr. Chairman, especially because of a U.S. Supreme Court decision last year, the problem is accelerating and soon it will reach beyond the point of no return. The Supreme Court rules that although State and local governments have the authority to tax these sales to nontribal members on the tribal lands, they do not have the authority to enforce it through the usual method of having the seller, the retailer, collect and remit to the local tax collector the taxes that were due.

Because they cannot require this, the tribes are able to freely sell with huge margins between themselves and all competitors. Since the Bureau of Indian Affairs is giving them the way to relocate to prime locations, they can thereby drive competors out of business and the State and local government lose the tax base.

Here is an example, Mr. Chairman. Across this country, on motor fuel sales, the average tax is 20 cents per gallon. A regular dealer would have to sell it for about $1.14 a gallon. The tribe can sell it for 94 cents. If people had the chance to go to one station or the other, and one is 20 cents less a gallon, where would they go?

On cigarettes, for example, the national average tax, or the State tax, is 32 cents a pack. If people had to pay the State taxes, it is $1.91; if they did not, it is $1.59. If people are out to buy a few cartons, where will they go if they have a clear choice?

In addition to that, there is the sales tax gap, on average, about 5 cents a dollar for all purchases. It does not take many sales like this to add up, and that is what is happening. That is why governors across the country have been urging their Members to support this amendment.

New York State calculates it is losing about $100 million a year. My State of Oklahoma, from only 18 tribal gasoline stations, already is losing $13 million a year, and they have not even begun to put in the new locations because of the transfer of the trust lands.

The amendment is very simple. It says the Bureau of Indian Affairs will not make further discretionary grants to tribes unless they show they have an agreement with the State and local government regarding the collection and payment of taxes or in-lieu payments for what their customers owe in those taxes.

Mr. Chairman, I ask adoption of the amendment and I reserve the balance of my time.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

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

Mr. DICKS. Mr. Chairman, first of all, I want to say I oppose the Istook amendment for a number of reasons: No hearings on this sweeping change in Indian policy, and for that matter, it has not been referred to the Committee on Resources for consideration or review. No tribes have had the opportunity to comment on this major change in Federal Indian policy. Finally, and perhaps most importantly, this language is legislating on an appropriations bill.

Once again, we are setting ourselves up for the problems we experienced last year with legislative-type riders. This may technically be a limitation, but it certainly has policy implications to go far beyond what we in the Committee on Appropriations have considered this year, and that got the bill in trouble last year.

Indian tribes have always been recognized as sovereign nations. The U.S. Government recognizes Indian tribes as independent nations and has encouraged self-determination. This legislation is not only a breach of our trust responsibility to the Indians but a violation of the right of self-governance.

Indian tribes, under treaties and agreements with the United States, were guaranteed the right of self-government within their own territory. This includes the right to regulate and tax or not to tax commercial activity which takes place on Indian land. At the same time, the Congress is reducing Federal spending for Indian programs and encouraging tribes to become more economically self-sufficient. We should not be enacting legislation that clearly would discourage such economic development.

The Istook amendment prohibits BIA from transferring any land into trust for a tribe unless the Secretary of the Interior has been informed that a binding agreement is in place between the tribe and the State that the tribe will collect and pay sales and excise taxes on purchases made by nonreservation members for as long as the land is held in trust. The language would apply to lands already in trust status. As independent nations, tribes are exempt from State laws, including payment of State sales and excise taxes.

Mr. Chairman, I urge Members to vote against this amendment. This is a major civil rights act and should be done much more carefully.

Mr. ISTOOK. Mr. Chairman, I yield myself such time as I may consume, and I would just note briefly that the home State of the gentleman who just

spoke, Washington State, has advised us they are already losing $55 million a year in State taxes because of cigarette sales alone on tribal lands.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY], the cosponsor of the amendment.

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

□ 1445

Mr. VISCLOSKY. Mr. Chairman, I rise in strong support of the Istook-Visclosky amendment. The amendment is a bipartisan solution to a growing national problem which is the inability of our States to collect sales taxes from individuals who purchase retail items on Indian trust property. This amendment will protect State revenue by ending a Federal policy which erodes a number of States tax bases. Rather than contributing to the current problem by granting new lands to tribes that refuse to collect State taxes on sales of non-Indians, our amendment will guarantee that the Federal Government does not take any action to further erode a tax base in a State.

As this Congress continues to shift additional responsibilities onto the States, I feel it is imperative that the Federal Government not actively work to reduce the tax base of individual States.

This amendment will also promote fair competition and a level playing field, as the gentleman from Oklahoma [Mr. ISTOOK] has also pointed out in his remarks. Because these taxes comprise such a large percentage of the product's cost, it is absolutely unfair to ask non-Indian retailers to compete against an Indian retailer that does not collect the sales tax.

I also think it is very important to emphasize, as my colleague on the other side has just done, what we do not do. This amendment does not impose any State or local tax on Indians. This amendment would not impact on the sovereignty of Indian tribes. This amendment would not affect the ability of tribes to operate businesses on any Indian reservation lands, nor any lands currently held in trust status.

In closing, I would urge my colleagues on both sides of the aisle to support this well-defined limitation amendment.

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

Mr. YATES. Mr. Chairman, I yield 1 minute to the gentleman from Alaska.

The CHAIRMAN. The gentleman from Alaska [Mr. YOUNG] is recognized for 3 minutes.

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

Mr. YOUNG of Alaska. Mr. Chairman, I rise in strong opposition to this Istook amendment.

Since I have been chairman of the Committee on Resources, not a single Member of Congress has introduced a single bill on this subject. What is more, I cannot remember a single bill that has ever been introduced on this subject in the years I have served in the body. That is 24 years.

Since I have been chairman, we have never had a single hearing on this subject. No witnesses have offered any testimony on this subject. No Indian tribe has been given the opportunity to testify. No State has been given the opportunity to testify. In fact, Indian law experts, and I know a lot of them, have raised constitutional questions about this amendment, yet none of them had an opportunity to testify. This is not the way to do legislation.

In short, the Members of this House are being asked to vote on an extremely important change in Federal policy without any advice from anybody. The change in Federal policy is just about as big as you can get. We are talking about granting a taxation jurisdiction over dependent sovereign nations to the States and even to counties. That is something this Congress, we argued this a few weeks ago in the adoption process, this is a congressional responsiblity. We have never done this in 250 years.

Indian tribes are now and always have been a creation of this Nation, dependent sovereign nations. May I suggest, our Founding Fathers recognized these tribes as separate and distinct nations. They entered into treaties with them pursuant to that recognition and created our Constitution so as to continue that recognition throughout the life of our Nation.

States have never specifically been granted taxing jurisdiction over Indian tribes. For Congress to take this gigantic step would be a significant and extreme change in the government-to-government relationship which currently exists, through treaties, in many instances, between the Federal Government and each federally recognized Indian tribe.

The surprise enactment of the Istook language, as far as I am concerned, is a direct violation of this Nation's trust responsibility, I want to stress that, constitutional responsibility to the Indian tribes of this Nation.

It is a violation of the right of self-government of these tribes. Most Indian tribes exist because of treaties entered into between the United States Government and each tribe. These treaties guarantee the rights of the tribes of self-government which, according to numerous judicial decisions rendered over the years, includes the right of each tribe to regulate and tax or not tax commercial activity on Indian lands. The Istook language represents a major change in this longstanding Federal position.

Very frankly, Mr. Chairman, I believe that we ought to uphold our obligation, our commitment. Let us not have any more broken promises. No more trail of tears. No more going back on our word. No more use of the forked tongue.

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

Mr. MILLER of California. Mr. Chairman, I want to join in my chairman's statement about the nature of this agreement between the United States and the sovereign nations of the Indian nations of this country. To understand what this amendment does, this is not about negotiating with these tribes, as we do under the Indian Gaming Act or other such. This is to give the States a veto over the operation and the bringing in of after-acquired lands.

What we now have is the ability to negotiate the terms and conditions, should the secretary end up deciding to bring those lands into trust. This completely upsets the balance.

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

Mr. YATES. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. KILDEE].

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

On this amendment, we are entering the thicket of Indian sovereignty, a very delicate issue. I have read the treaties. I would ask other Members of this body to read those treaties. We are in negotiations. We are trying to work things out. This is in the purview of the Committee on Resources. I would certainly hope that this floor not act precipitously today to enter into an intrusion upon that sovereignty. Let the Committee on Resources study this issue.

Mr. ISTOOK. Mr. Chairman, I would respond to the gentleman from Alaska, I would certainly say that the U.S. Supreme Court, in a decision 1 year and 1 week ago, specified that they do, the States and communities do have the authority to tax sales on tribal lands to non-Indians. It is just the enforcement problem. We are not interfering with tribal sovereignty. Certainly, if the gentleman would like to have hearings, it takes a few months for this bill to work its way through and hearings would be welcomed during that time.

Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Chairman, I would remind my colleagues that this amendment is new. It applies only to new lands. What do you tell a small community that may have an Indian tribe reserve land in their community and tell those folks, the small business folks and others, whether they will sell gasoline or cigarettes, that I am sorry, they are exempt. You are not. That is not right.

What this amendment tries to do is to level the playing field between legitimate small businesses and businesses that Indians establish and, by the way, it applies only to the sales of non-Indians. It does not apply to within the reservation to their own people.

So I would ask my colleagues to support this. It is a step in the right direction to try and level the playing field for new lands that are so designated so

that those businesses, whether they sell cigarettes or gasoline or any other State and local taxes that they may have to comply with, they are on an equal footing with their new competitors. That is why I think that this amendment is a good one. I urge my colleagues to vote ''yes.''

Mr. ISTOOK. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, the chairman of the Committee on Resources and the ranking member are complaining that this amendment never went through their committee. The problem is, when it comes to Indian affairs, we cannot move gambling legislation, which is ruining America with these Indian reservations. We cannot move adoption legislation because of it. We cannot move this one.

In my home State of New York alone, we are losing over $100 million in revenue. Small businessmen are being discriminated against who own gas stations right next to these Indian reservations. That is wrong, wrong, wrong. We ought to pass this amendment and deal with it. It will never get out of committee anyway. So come over here and vote for it, especially all of you New Yorkers, all 31 of you.

Mr. KOLBE. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from Florida [Mrs. MEEK].

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, I came to the floor to oppose this amendment. I always do that when I feel there is a hint of discrimination or lack of trust, a lack of fairness in an amendment. I saw it as I came in the door.

I think that we do not want to keep the pattern that America has established before where we take the rights away from the Indians that we promised them. I do not care what kind of rights you are taking away or established, you made treaties with them. Leave it there so there will not be this mistrust which they have already had of the white man. Do something right for the Indians.

Mr. YATES. Mr. Chairman, I yield 30 seconds to the gentleman from Rhode Island [Mr. KENNEDY].

Mr. KENNEDY of Rhode Island. Mr. Chairman, this process is unfair.

First of all, this legislation is authorizing legislation, and it is not going through the committee that authorizes this legislation.

Second, what we are talking about here is a balanced approach between States rights and respect for the sovereignty of Indian nations. This legislation disrespects Indian nations with sovereign rights and you are setting up an unfair system that violates the whole nature of the U.S. Government with native American nations. So I ask Members to vote against the Istook amendment.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from Ohio [Mr. REGULA], chairman of the subcommittee.

Mr. REGULA. Mr. Chairman, as chairman of the committee, I rise in opposition to this amendment. We have to deal with the Bureau of Indian Affairs and the native American problems. Let me read to you from the law of the United States.

> Title to any lands or rights acquired pursuant to this act shall be taken in the name of the United States in trust for the Indian tribe or individual Indian for which the land is acquired, and such lands or rights shall be exempt from State and local taxation.

The point is, we should deal with this in the authorizing process. There should be hearings. There have been no hearings. The 557 recognized tribes have had no opportunity to present their case. They should. I think it is a serious problem. The problem of gaming, the problem of taxation in these places of business are serious problems for a lot of States. I would urge the authorizing committee to hold hearings, let everybody have their say, and then decide what the policy of the United States should be.

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

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, there is a way to work this out by a compact between the tribe and the States. That is what should be done.

Mr. REGULA. Mr. Chairman, that is correct.

Mr. YATES. Mr. Chairman, I yield myself the balance of my time.

Let us not talk about level playing fields. There is no more discriminated people in this country than the Indian people have been and still remain discriminated against.

They talk about, some of the speakers who have spoken before talked about fair competition. This is fair competition. The Indians are a sovereign nation. They are entitled to their businesses. They are entitled to make their livings as they can. They should continue to do anything they can to make their businesses good.

I urge defeat of this amendment.

Mr. ISTOOK. Mr. Chairman, I yield 45 seconds to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Chairman, I have native Americans in my district. I say this respectfully to them and the opponents of this amendment: I really think this is a question of fairness.

We have a 23-cent gas tax in my State. And to allow a native American gas station to collect gas sales from non-native Americans and not pay the tax right next to a gas station that is non-native American that has to collect that tax does not seem fair.

Mr. DICKS mentioned an agreement between the States and the tribes. That is a good thing. We have that in my State. The Yakimas and the Colvilles both have agreements with the State of Washington to collect those taxes and pay them to the State. It is not fair to do otherwise. I urge support of this amendment.

Mr. ISTOOK. Mr. Chairman, I ask unanimous consent that each side be granted an additional minute of debate time.

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

Mr. DICKS. Reserving the right to object, Mr. Chairman, what about this side over here?

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

Mr. DICKS. I yield to the gentleman from Oklahoma.

Mr. ISTOOK. Mr. Chairman, that is what I said.

Mr. DICKS. Mr. Chairman, it looked like the gentleman was going to add to his over there.

Mr. KOLBE. Mr. Chairman, reserving the right to object, may I say to the gentleman from Oklahoma, we are really under a tight timetable. We have to get this bill done.

I could certainly use an additional minute, but I feel constrained to object.

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The CHAIRMAN pro tempore (Mr. BUNNING of Kentucky). Objection is heard.

The gentleman from Oklahoma [Mr. ISTOOK] has 45 seconds remaining.

Mr. ISTOOK. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the objection consumed probably a minute in and of itself.

Mr. Chairman, the U.S. Supreme Court has said that the statute which the gentleman read before applies to property taxes. We are not touching property taxes. We are not touching the rights of the tribes on the lands that they already have. We are only saying,

> If you want the U.S. Government to take new land that you buy and give it this protected status, then you just don't talk, you make an agreement with the State and local governments about their rights.

What happens when all these businesses go under?

I have got a letter from a supplier in Oklahoma that has 40 stations. They have talked with the tribal attorney. They say, ''We can exempt you from so many taxes you'll make an extra $3 million a year.'' The business can defend itself that way; but when the tax base is gone, funds for schools, for education, for public safety, for highways, they evaporate. It is happening all over the country.

I urge adoption of this simple moratorium amendment to keep the problem under control.

Mr. KOLBE. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Arizona is recognized for 1½ minutes.

Mr. KOLBE. Mr. Chairman, the gentleman from Oklahoma [Mr. ISTOOK] has raised an important issue, and I

think we have had a good discussion on the floor today.

The Indian tribes, under the treaties and agreements that they have with the United States, have been given the right of self-government within their own territory. Each tribe has a somewhat different arrangement, but in a very significant way the Istook amendment turns this on its head. Under the guise of tax fairness, the Istook amendment would give State and local governments the ability to restrict placement of land in trust status for tribes, but the reality of this provision is that it precludes any economic development Indian tribes would want to pursue on these lands unless it is approved by State and local governments. This flies in the face of every agreement, every commitment we have made with tribal leaders.

Each of these treaties is a little bit like the enabling acts that brought our States into the union. They are the basic governing law, and we should not with this amendment on an appropriation bill make such a fundamental change to those enabling acts or to those treaties.

Another point that needs to be made is that under the Istook amendment there is no requirement or assumption that States and local governments have to negotiate in good faith. In other words, simply stated, the States have a veto power over the Indian tribes' future. Subjecting sovereign Indian tribes to the whims of State and local government officials is not in accord with prevailing Federal Indian law and policy. It violates the principles of fairness, it violates the principles of the United States Government.

This amendment stands 200 years of Indian law on its head. It does so without hearing, without consultation or input from the tribes, without tax law experts, without understanding the possible ramifications of this major change to Indian law.

My colleagues, the Istook amendment is an unfortunate attempt to undermine Indian ability to govern themselves and achieve economic self-sufficiency. We should defeat this amendment.

Mr. RICHARDSON. Mr. Chairman, I also rise to speak out against this ill-advised amendment. One of the things that we have to keep in mind is that not only is this bad law, from a legal perspective, but it is bad law from a commonsense perspective as well.

First, for all the talk that I have heard this Congress about the needs and the desperate living conditions of the Indians, we have not done anything of any real consequence this Congress to help them out. And, the one tool for economic survival that they do have—casino gambling—we want to take away from them. But, perhaps even more incredible is the fact that I have heard time and time again from other Members that Indians have to start looking for other avenues of economic growth other than gaming. But what happens when they find one? What do we do? We try and close that down too. At some point this simply becomes a matter of fairness. We cannot close off all of their options.

Second, the point is made that these tax moneys are being taken out of the State coffers and that eventually the States are going to have to come to the Federal Government for assistance and that this will cost the U.S. taxpayers. Well guess what? If we do not help out the Indian tribes grow financially, whom do you think pays for it? The same Federal Government. The point is that by cutting off the tribe's economic avenues, we are not saving any money at all.

Third, this is not an issue that I am not familiar with. This is a big issue in my State. But let me be clear, this is something that had been blown out of proportion in terms of revenues lost to the State. My biggest concern is that we do what we can here to help people help themselves—Indians included. If it was the case that Indian tribes were taking the money and spending it on powerboats, trips to the south of France then we would have cause for alarm. But the Indian tribes are smarter than that. They spend this money on the same things that the State spends it on—roads, water, sewer, and schools.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ISTOOK].

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

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

The CHAIRMAN pro tempore. Pursuant to House Resolution 455, further proceedings on the amendment offered by the gentleman from Oklahoma [Mr. ISTOOK] will be postponed.

AMENDMENT OFFERED BY MR. DEFAZIO

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DEFAZIO: In section 319 (relating to timber), strike the first, second, and third sentences.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Oregon [Mr. DEFAZIO] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Oregon for 5 minutes.

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

Mr. Chairman, this is on the issue of log exports. Log exports are the timber industry's best kept secret. While the industry stands united in its attempt to pass riders to appropriation bills that will accelerate Federal timber harvests, they have maintained an informal truce within their ranks on the continued practice of raw log exports from the Pacific Northwest even though the export of raw logs clearly hurts the nonexporting lumber and timber manufacturing companies in the Northwest.

Last year, 1.6 billion board feet of logs were exported from Oregon and Washington to mills in Japan and the Far East. That is more than twice the amount of timber sold on Federal forests during this time. Most of those logs went to supply some of Japan's 16,000 lumber mills, mills that are protected from competition by a dense fabric of trade barriers and subsidies.

In 1990 Congress overwhelmingly approved a permanent ban on the export of unprocessed timber from national forests, BLM and State-owned lands. I was one of the primary authors of that legislation. An important part of that law prohibited a law against an exporting company from purchasing Federal timber for its mills as a replacement for private timber the company is exporting.

Let me repeat that. The law says a company that exports logs and owns domestic timber mills cannot purchase Federal timber as a replacement for private timber it exports. The practice is known as substitution; it is nothing more than a back-door export of Federal timber.

There is one exception, which is called a sourcing area. The Department of Agriculture, the Forest Service, was supposed to upgrade and determine new sourcing areas for the Pacific Northwest with the changes in the forest economy and the prices bid on logs. Unfortunately, last year in the appropriation bill and this year in the appropriation bill is a prohibition on new regulations to implement changes in the sourcing areas.

Now, I will admit, I will be one of the first to admit, the Forest Service is not perfect. I think there are some problems with their proposed regulations, but we have seen no progress since last year, and I am afraid that this year, if another prohibition is adopted, the Forest Service will take it as another opportunity to not act and to further promulgate regulations or improve the regulations that they have proposed.

So it is my hope, in standing to offer this amendment today, that we can begin to get some movement downtown, and hopefully they are listening at the Department of Agriculture and the Forest Service, on reasonable new sourcing regulations to prevent the back-door export of logs from the Pacific Northwest, where it is prohibited under existing law.

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

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

Mr. DICKS. Mr. Chairman, I am pleased to engage my colleague from Oregon. The provision in the bill he seeks to address stems from the Forest Resource Conservation and Shortage Relief Act of 1990. The gentleman and I both had extensive involvement in the development and passage of that legislation, which had bipartisan support in both the Oregon and Washington delegations.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman from Washington for entering into this colloquy.

Would the gentleman agree to work with me and other members of the Northwest congressional delegation to seek an agreement that will allow the

Forest Service to move ahead within the next year on regulations that fully implement the ban and deal with the issue of sourcing areas in a reasonable manner?

Mr. DICKS. I would be happy to work with the gentleman and other members of the Northwest delegation toward that end.

One of the objectives of this provision of the bill is to prompt the administration to make a serious effort to address the concern of the exporting segment of the industry.

I would also ask the gentleman to help me to engage the administration in this discussion and hopefully find a solution that satisfies congressional intent and the legitimate concerns of the industry.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman, and I am hopeful that we will not be back a year from today with the committee attempting to prevent promulgation of regulation, and at that point I will have to go forward with a vote and would have to go ahead, if I succeed, and implement the problematic regulations now pending.

So I am happy to work with the gentleman and try and prod the administration into action on this.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN pro tempore. The amendment of the gentleman from Oregon [Mr. DEFAZIO] is withdrawn.

Mr. DICKS. Mr. Chairman, I ask unanimous consent to be recognized for 1 minute.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DICKS. Mr. Chairman, the only point I wanted to make that I could not make in the colloquy is that we have had kind of a tradition in the Pacific Northwest where we prohibit exporting off of our Federal lands and exporting off of our State lands, and one of the positive aspects of the amendment that is in this bill is that we have 100 percent ban on log exports from the State of Washington, and I would remind my good friend from Oregon that because of that ban companies in Oregon are able to buy timber sales in Washington State, which I sometimes regret, but that is the reality of this amendment.

Now, I would also point out that working out this issue is a very complicated one, but I am committed to trying to work it out. But the policy has been, let us not export off of public lands and let the private companies make a decision about exporting off of their private lands, and we will work out the substitution problem. We have always been able to work these things out in the past.

AMENDMENT OFFERED BY MR. GUTKNECHT

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GUTKNECHT: At the end of the bill before the short title, insert the following new section:

SEC. . Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Minnesota [Mr. GUTKNECHT] will be recognized for 10 minutes and a Member opposed, the gentleman from Ohio [Mr. REGULA], will be recognized for 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

Mr. GUTKNECHT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I believe that in the last election cycle the people of the United States sent a pretty clear message. I think they wanted us to go to Washington to put the Federal Government on a diet, to balance their budget and to make the Federal Government live within its means, and I want to congratulate the Committee on Appropriations and the chairman of the Interior Subcommittee for all the work they have done in terms of trying to bring the Federal budget under balance, and I congratulate them, for example, in this bill, by reducing spending by $482 million over last year.

Overall I think this is a good bill, but I think we have to refocus on the big picture, and what we did a few weeks ago when we passed the budget resolution conference report is we in fact said that we are going to increase spending by about $4.1 billion over what we had agreed to spend in last year's budget resolution; $4.1 billion.

What we are offering today is an amendment which will reduce spending 1.9 percent across the board, and I intend to offer this amendment on all of the appropriation bills from this point forward, not because they are bad bills, but if we can actually recover that 1.9 percent, we can get back to the budget targets that we set for ourselves a year ago.

We cannot, Mr. Chairman and Members, in good conscience increase the debt load on our children. That has to stop. If we reduce spending just 1.9 percent across the board on the remaining appropriation bills, we can reclaim that $4.1 billion.

I think through shared sacrifice we can go a long way to create a better future for our children, and that is what this is all about. This is not a mean-spirited amendment. It is about keeping our faith with what we said last year, and, Mr. Chairman and Members, remember what some of the debate was about, the budget resolution. Some of our friends on the other side were saying, ''You're increasing spending too much.''

This is a chance for people on both sides of the aisle to say what we mean, mean what we say, to actually force the Federal Government to stay on that glide path toward a balanced budget. When we talk about putting the Federal Government on a diet, if we compare that to a belt, we are actually asking the Federal Government, through this 1.9-percent cut, to tighten its belt less than one notch.

Mr. REGULA. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we have already done much better than this amendment proposes. We have cut the budget 4 percent from last year, and we have cut the budget 8 percent from the previous year. Just look at it. We are down $500 million from 1996. In 1996 we were down $1 billion from 1995. That is a total cut on very, very popular programs: parks, forests, grazing lands, fish and wildlife facilities, Smithsonian, National Gallery of Art, Kennedy Center, Bureau of Indian Affairs; all very important programs to people. And we have cut from the 1995 appropriation level $1.5 billion. If every committee did that well, we would be well on our way to reducing the deficit. And a very important feature in what we have done is not only have we cut $1.5 billion, but we have eliminated programs that would cost us money down the road because we want to put this country on a glidepath to a balanced budget.

□ 1515

We eliminated, totally eliminated the Bureau of Mines. We were spending about $150 million a year on it. We have eliminated a lot of other popular programs because I recognize, and my colleagues on the subcommittee recognize that the way to get to the balanced budget is to do the things that will reduce costs in the future. That is why we went down $1 billion. Now we are down another half a billion dollars.

The problem with this is it takes a slashing cut across the board. It means, of course, that for example in the native Americans' case, this would cut the ability to open Indian health services. These are treaty obligations that we would provide health services to the native Americans.

Mr. Chairman, these are coming on line. We have the hospitals built, and we would not have the money to staff them. That is not good management. It would eliminate funding in the Bureau of Indian Affairs for children in the school system; 50,000 Indian children would be cut off from their opportunities for education.

Mr. Chairman, all I am saying to my colleagues, this sounds good, and I know that what the gentlemen are trying to do is to replace the money that was lost in budget conference. As I understand it, they are going to offer this amendment to every appropriation bill henceforth. It just happens that we are the first one in which the opportunity has arisen. But it is a poor one to start on, because we have already done the

job. We took the 4 percent this year, we took about 8 percent last year. We have been trying to do exactly what the gentleman wants us to do. We have responded to the House budget numbers, not the Senate, but the House budget numbers.

Mr. Chairman, I would urge my colleagues to defeat this amendment. While I understand the intent is good, it has a devastating impact on people, on people programs, such as the native Americans, such as the ability of people to access the parks.

We have tried to do self-help. In our bill last year, in the bill this year, we have provided that the agencies, Fish and Wildlife, Forestry, Parks, that they can levy fees. We have worked toward partnerships on the HCP's in partnership. It is a partnership of State and local to deal with endangered species. We are pushing in the directions you want to go, believe me, as rapidly as we can, but we have treaty obligations. We have obligations to keep the parks open. We do not want people going out to Yosemite and have the sign hanging out, ''Sorry, closed.'' So we are trying to do a responsible job.

I hope my colleagues would vote this amendment down, recognizing that we are making every attempt to address the concerns that the sponsors of this amendment have. We will continue to do so.

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Chairman, first I want to congratulate the gentleman from Minnesota for his amendment. I want to reiterate what both he and the distinguished chairman of the committee said, in that this is not targeted in particular at the Committee on the Interior. I do not believe Yosemite will close with a 1.9 percent budget cut, but he has done one admirable job of trying to manage the reduction in the growth of the budget. He has done an admirable job in being fair in his process. I am sorry that we are starting on his bill.

The fact is, however, many of us felt there should not be a bump-up. We did not come here to increase the deficit in our second year. With a change of 1.9 percent in the remaining bills, and if we go back and recoup 1.9 percent in the bills we already passed, in effect we would not have a bump-up. This amendment is a start toward a meaningful reduction. Even if we do this is all the remaining, it does not get all of it back but it moves toward it.

My colleagues on the other side of the aisle, after the Republican budget passed, did a lot of whining and talking on the floor about the deficit going up. I would like to read a few quotes.

The gentlewoman from Colorado [Mrs. SCHROEDER] in the CONGRESSIONAL RECORD said:

> Here we are considering a deficit that is going to be higher than the one we have next year. How can we have a higher one next year than the one we have this year, and then stand there and say it passes the straight face test, to stand around and look at people and say we are really for balancing the budget? This does not work. The real issue is not whether or not you are for the amendment, it is whether or not you can get the deficit under control.

The gentleman from Missouri [Mr. VOLKMER] said:

> Mr. Speaker, they are more interested in reducing taxes for the wealthy than they are in reducing the deficit. I may, let us reduce the deficit before we give any tax cuts for anybody. That is my position. Let's get a balanced budget first.

The gentlewoman from Georgia [Ms. MCKINNEY] said:

> The Republican budget resolution passed last night actually increases the deficit. Republican leaders shut down the government twice just so they could increase the deficit by $40 billion, leaving real deficit reduction to future Congresses.

The fact is, here is the amendment. Here is the way to do it. There would be no bump-up in the deficit; 1.9 percent from here on out, 1.9 percent, less than 2 percent gets rid of what all the talk has been on this floor in Congress about the bump-up. I say we should do it and not just talk about it.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, first of all I would like to tell my colleagues that many of us have had serious reservations about the cuts that have already been made. I think if we look at it, it has been something like $1.5 billion and $2 billion in a $12 billion bill over the last 2 years. This year the committee has cut by 4 percent. We are talking about parks, we are talking about wildlife refuges, we are talking about the Endowment for the Arts and Humanities, we are talking about some of the most important programs.

I would say to my colleagues, I have a real problem knowing that the reason we are going to have to make these cuts is to finance a big tax cut, which nobody in my district wants. I do not think we should have to cut these sensitive programs further. I do not see any of these people coming here and saying, let us do something about entitlements. Why do we want to continue to go after discretionary spending to solve the entire problem of the deficit?

I am with the gentleman from Missouri, HAROLD VOLKMER, last night when he got up and said, you know, we would not have to do this if it was not for the big tax cut. That is what it is. We are going to have to cut into some of the most sensitive programs, Indian health, in order to finance a tax cut that nobody in my district wants. They want us to balance the budget. We are on the course to balancing the budget. I regret the fact, and I know others will mention defense and other things of that nature. But we have done zip on entitlements, and we continue to pound away on discretionary spending.

I wish some of the people who are always up here wanting to do across-the-board cuts, who do not come to the hearings, do not testify before the committee, want to take a meat-axe approach, would put a little of that effort into some of the areas of other Government spending. I think we have done our job here, as we have done every single year I have been on this committee. It is not discretionary spending that is the problem, it is the entitlements and the tax cut. That is what the gentleman is not focusing on.

Mr. GUTKNECHT. Mr. Chairman I yield 15 seconds to the gentleman from Wisconsin [Mr. NEUMANN] for the purpose of response.

Mr. NEUMANN. Mr. Chairman, I would like to point out to the gentleman that in fact we are $15 billion over our discretionary targets this year, and in fact it is not the tax cuts that are causing the problems, but an increase in discretionary spending of $15 billion.

Mr. GUTKNECHT. Mr. Chairman, I yield 2½ minutes to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman, I, too, would congratulate our chairman for the job he has done. I agree that they have done great work. But I think his point proves the point by his very own testimony. Last year they cut $1 billion. This year they cut another $500 million. Where did the $500 million come from? They cut $1 billion last year and they can cut $500 million more this year? Why not two pennies' worth? Why not 2 cents more?

It is the same thing in every Government agency: There is so much waste, there is so much to get, that we will find more next year. There will be more next year. There will be more than this $500 million next year, because it is there.

The question comes, it is like the guy on TV in Oklahoma says, ''What's the deal?'' The deal is we promised to balance this budget. We promised to live within our means and quit sacrificing the future of our children and grandchildren. We have to have the discipline to do that. The true fact of the matter is, as the gentleman from Wisconsin stated, we are spending $14 billion more than what we said we were going to spend a mere 9 months ago. It proves that there is not the discipline in this House to live up to its obligations in terms of the budget and in terms of spending.

All we are saying is cut every additional appropriations program a minimum of $1.9 percent, 2 cents. Everyone knows we have 2 cents worth of waste in the Federal Government. We can, we should, and most of all, we owe that obligation to the future generations whose money we are spending today. It is easy for us to spend it because we are not going to pay it back. It is not easy for them to spend it and it is not easy for them to pay it back. They are going to pay it back by not owning a home, not being able to buy a car, having hyperinflation, and not achieving the living standard anywhere close to what we have.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

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

Mr. Chairman, I rise in opposition to the pending amendment. This reminds me of the last time I went to donate blood, and they were really short. I donated a pint, they wanted a pint, and then they wanted another pint, but I just could not give anymore. It would do great damage to my health. I think if we did this, it would do great damage to this bill. We have cut $1.5 billion since 1995.

We are moving in the right direction. But look at what we are providing funding for. Is there anything more precious to our heritage than the national parks? I think not. Some great environmental initiatives in here we are treating in a very responsible way: the Everglades, dealing with the clean streams program, dealing with habitat and conservation areas. I think everyone in America who hunts, who bikes, who fishes, who loves this great land of ours, should be very supportive of this bill.

Mr. Chairman, I think the committee, under very difficult circumstances, has come up with a good package. We have made some adjustments on the floor, as I think we should, because the people's House is working its will. This is good legislation. We have cut. To cut further is counterproductive.

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

I would say to my friend, the gentleman from New York, we are not going asking for a pint, we are asking for a few more drops.

Mr. Chairman, I yield 2 minutes to my friend, the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, last week we passed a budget that allows the deficit to go back up again. I heard lots of people talk about why that is wrong and why we should not be doing that. Here is an opportunity to fix the problem. We are going to bring an amendment like this with each one of the remaining appropriation bills. Let us fix the problem. Here is our chance.

Why is the deficit going back up? Because we spent $15 billion in discretionary spending that we were not supposed to spend. Let me put that in English. This Congress, the House of Representatives, literally controls about one-third of the budget. It is called discretionary spending. It is in that part of the budget that we have problems right now. It is in that part of the budget, that is why the deficit went up. That is why we need to correct it in this manner.

Mr. Chairman, this amendment is about 1.9 percent. Listen to the cries we are hearing here on the floor: It is going to hurt this or that or the next thing. Is there anyone outside the city of Washington, DC, that honestly believes there is not 1.9 percent of waste in every Government program? I guarantee Members, standing here today, that there is more than 1.9 cents out of every dollar in wasteful Government spending in this bill that could be cut out without hurting the national parks and without hurting the things that are so near and dear to this country.

I do not believe that a 1.9-percent cut, and this is not a 19-percent cut, this is not even a 2-percent cut, a 1.9-percent cut is actually going to do all of those detrimental things they are talking about. I do not buy it. We can find 1.9 percent of wasteful spending in this appropriation bill and in every one of the remaining appropriation bills. When we do, that is going to put us back on a glide path to a balanced budget.

Mr. Chairman, we owe it to our children and we owe it to our grandchildren to do what is right for the future of the country, and what is right for the future of the country has to be put ahead of our desire to spend more money here in Washington, DC. That is really what this is all about. Let us do what is right for the future, what is right for our children. Let us get ourselves back on a glide path to a balanced budget.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. YATES], the distinguished ranking member of the subcommittee.

Mr. YATES. Mr. Chairman, the gentleman from Wisconsin talked about a $15 billion excess in discretionary spending. The Defense appropriations bill is $13 billion over the President's budget. There is $13 billion of the gentleman's $15 billion, because defense is a part of discretionary spending. Why did the proponents of this amendment not offer their amendment to the Defense bill when the bill was on the floor? They could have achieved a much greater amount of money than they do with a bill of this kind.

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

Mr. YATES. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, the Defense appropriations bill was voted on at the time at which we voted on the budget resolution, the joint conference.

Mr. YATES. I would say to the gentleman, he still could have offered an amendment.

Mr. COBURN. We certainly would have been happy to, had it come to the floor beforehand.

Mr. YATES. I would say to the gentleman that that is the fault of his leadership, it is not anybody else's.

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

Mr. YATES. I yield to the gentleman from Wisconsin.

Mr. NEUMANN. Mr. Chairman, I would like to point out that we did bring an amendment to the floor that did bring defense spending back to last year's level.

Mr. YATES. I voted for the gentleman's amendment.

□ 1530

Mr. GUTKNECHT. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I do not know if anybody read this morning's Washington Post, but there is a great story in there about a doctor who is paid $117,000 a year to sit in an office and see no patients. He is paid by the Federal Government, by the Federal taxpayers.

It seems like every day if we study or look enough, we will find in newspapers, in the national magazines, the media and so forth are telling these stories about the waste of Federal spending. For people to come to this floor and say that we cannot find an additional 1.9 percent, well, I doubt if many people in this room really believe that. I know the people of America do not believe that.

I believe that the chairman has operated in good faith. This is a good faith amendment. It is about keeping faith with our kids. After we passed the budget resolution conference report just a few weeks ago, the Appropriations Committee added $718 million to this bill. We are simply asking to reduce that expenditure by $230 million. That money can be found, it must be found, if we are to keep faith with our kids, if we are to keep faith with our word, if we are to keep faith with the promise that we made last year.

Mr. Chairman, this is an important amendment. It is supported by the Citizens for a Sound Economy, and I suspect many other organizations out there will be studying this vote. I hope Members will keep faith with what they said last year. Please support this amendment.

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

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE], the vice chairman of the committee, who has done a great job as a member of our committee.

Mr. KOLBE. I thank the gentleman for yielding time.

Mr. Chairman, I appreciate the comments I have heard about we can surely find 2 pennies of waste, and reduce this bill by 1.9 percent across-the-board. I have been there, I have offered these amendments on the floor before on appropriation bills. But I would point out that when I offered those amendments, it was in years when we were increasing appropriations by 3 percent, 5 percent, as much as 7, 8, or 10 percent. We heard about a 1.9-percent cut, that anybody should be able to do that. But, Mr. Chairman, we have cut this bill by 12 percent in the last 2 years. Let me repeat that: We've made a 12-percent reduction.

The last speaker just talked about how there is an individual, a doctor working for a Federal agency. I read that article, about the doctor who is getting paid for doing no work. Does anybody think that by cutting 1.9 percent we are going to solve that problem? No, we have got to go in and

change the law, the Federal employment laws. We have got to make it possible for managers to fire people, to get rid of people that are deadwood, to do what managers are supposed to do.

That is the basic problem we have got. We have to change a lot of other laws to get the systemic changes we need. It is not just about changing or reducing the level of funding. This is not the answer. We have made cuts. Twelve percent we have reduced this bill, $500 million this year alone.

Look at how the parks have gone up in the number of visitors. Does anybody believe that we do not need to provide for those crown jewels of our national heritage? We do, and we need to have the funds for that. I urge a ''no'' vote.

Mr. REGULA. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Ohio is recognized for 1 minute.

Mr. REGULA. Mr. Chairman, I know that this amendment is made in good faith but, as the gentleman from Arizona [Mr. KOLBE] pointed out, we have cut not 1.9 percent, we have cut 12 percent.

The gentleman from Minnesota [Mr. GUTKNECHT] talked about keeping faith with our kids. Keeping faith with out kids also means preserving the heritage of America, the parks, the forests, the public lands, the cultural treasures downtown, in good shape. That is keeping faith, so that they can enjoy the Yosemites and the Yellowstones, so that they do not have to worry about their safety or inadequate facilities.

Keeping faith means managing these facilities well. We have tried to do that while at the same time saving the taxpayers $1.5 billion. That is keeping faith with the future. We have done it with a lot of hard work, and we have not only done it for now but we have done it for the future, by eliminating programs, by not building facilities that will cost a lot of money down the road, but we have put extra money in to fix buildings, to repair roads, to ensure that these kids have a safe environment when they go to visit these national treasures.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

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

Mr. GUTKNECHT. 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 455, further proceedings on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Mr. SANDERS: In the item relating to ''BUREAU OF LAND MANAGEMENT—PAYMENTS IN LIEU OF TAXES'', after the first dollar amount, insert the following: ''(increased by $10,000,000)''.

In the item relating to ''DEPARTMENT OF ENERGY—FOSSIL ENERGY RESEARCH AND DEVELOPMENT, after the dollar amount, insert the following: ''(reduced by $25,000,000)''.

The CHAIRMAN, Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Vermont [Mr. SANDERS] and the gentleman from Ohio [Mr. REGULA] each will control 10 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield one-half of my time to the gentlewoman from Idaho [Mrs. CHENOWETH], the coauthor of this amendment, and I ask unanimous consent that she be permitted to control that time.

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

There was no objection.

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

Mr. Chairman, this amendment that is being introduced by the gentlewoman from Idaho [Mrs. CHENOWETH] and myself does two important things that most Members of this body agree with:

First it deals with the very serious problem of unfunded mandates, of forcing citizens in close to 2,000 counties in 49 of our States to pay more in local property taxes than they should be paying because the Federal Government has fallen very far behind in its payment in lieu of taxes on federally owned land.

Mr. Chairman, despite an increase that was granted 2 years ago in the PILT authorization levels, the actual appropriations have been kept nearly level, resulting in a revenue shortfall to local communities in real terms. For fiscal year 1996, for example, local governments will receive only 60 to 70 percent of the payment level which was set in the authorization. This amendment would begin to address this unfunded mandate by increasing the payment in lieu of taxes program by $10 million. Currently the PILT Program provides $113 million. If this amendment passes, we bring the total up to $123 million. The formula by which payments in lieu of taxes are made is a complicated one and each property is treated differently. But, on average, if this amendment is passed, there would be a 9-percent increase in PILT funding for our States and communities.

Mr. Chairman, we have heard a great deal of discussion recently about devolution and our concerns for local communities and local government. I know something about that as the mayor of the city of Burlington, VT for 8 years. In Vermont, many of our communities are hard pressed to pay escalating property taxes. Fifty-one communities in Vermont, close to 2,000 nationally, would benefit by an increase in PILT payments. It is high time that the Federal Government accepted its responsibility to do right by local communities.

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

Mrs. CHENOWETH. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise in support of the bipartisan Sanders-Chenoweth amendment that would not only help restore the payment in lieu of taxes concept to the authorized levels but would also contribute to deficit reduction. This amount would cut $25 million of unnecessary dollars from R&D of fossil fuels, add $10 million to the underfunded PILT Program, and then set aside $15 million for deficit reduction.

Mr. Chairman, the concept and need for PILT is very simple. Rural communities in this country that are heavily made up of Federal lands do not have the benefit of collecting property taxes from private lands. The Federal Government just simply does not pay taxes to counties or local units of government. PILT was established to help fill this gap of the missing revenues in order to keep the counties' ability to supply the necessary and essential services, such as hospitals and roads and bridges and schools and emergency medical treatment and so forth, all of these functions that are vital to our communities, and which are demanded by the citizens of those communities.

Just to emphasize how very important PILT is to districts in the West, let me remind my colleagues of the extraordinarily heavy concentration of Federal lands in the West. For instance, in Idaho, my State, the Federal Government manages and controls 70 percent of the land. This 70 percent of land is therefore removed from the property tax base. That means that the States and counties are unable to collect taxes from this land. Yet our county commissioners are facing a greater demand to provide necessary services. Over the years these counties have come to rely on PILT and now PILT has been cut, Mr. Chairman.

Mr. REGULA. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, let me point out to my colleagues that we have funded PILT at the same level as last year. We did not cut it. It is $135.5 million. We are $12 million over the President's request for PILT. I think we have been as generous as we could given the balances that we have to achieve to get the deficit reductions.

I know this is put in to attract a certain amount of votes, but keep in mind that we are at last year's level which is $12 million over the President's request.

The energy account is $58 million below the President's request. I have spoken to this several times today and yesterday that fossil energy has been cut, and it has been cut dramatically in the last 2 years. These are very important programs. We have contractual

obligations where we have said to private sector companies, ''We will put up some money, you put up some money to achieve innovative breakthroughs in technology.''

Energy is vital to the future of this Nation. You cannot farm those fields if you do not have gasoline that you can buy at a reasonable price. We saw the impact a few weeks ago when suddenly gasoline, I noticed out in my area it was $1.39 a gallon, up probably 20 cents. That is just the forerunner of what could happen. That is why fossil energy research is so vitally important to this Nation's future.

Let us not throw away the long-term need to develop new and innovative technology in the use of energy that is nonpolluting, that will reduce the air emissions, that will give us energy independence. I have been over this record before, but it is extremely important in terms of this Nation's future for all the people. We would have to oppose this amendment strenuously.

Mr. SANDERS. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Vermont [Mr. SANDERS] has 3 minutes remaining, the gentlewoman from Idaho [Mrs. CHENOWETH] has 3 minutes remaining, and the gentleman from Ohio [Mr. REGULA] has 8 minutes remaining.

Mr. SANDERS. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. OBERSTAR].

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

Mr. OBERSTAR. Mr. Chairman, this payment in lieu of taxes program is about basic fairness. The Federal Government holds large tracts of land in public trust for all Americans, land that is taken out of the local tax base and in return for maintaining this land in the public interest, we make a modest little payment to those local units of government. That payment has not increased in 20 years.

Let me just take Cook County in my district that is 94 percent in public land ownership and off that 6 percent of the remaining land of 900,000 acres, that county has to provide for roads, for search and rescue, for emergency medical care, for surface water, ground water for all the people who come and travel through the area.

St. Louis County has 3,000 miles of county roads. This is a county about the size of the State of Massachusetts. It has to provide emergency medical services, rescue the people who travel from other parts of the United States to see Voyageurs National Park and Superior National Forest. They have accidents and they have health problems and the county has to take care of them, but the rest of the country is not providing an increase in funding.

We have not had an increase in 20 years. We need to have an increase in the funding for the payment in lieu of taxes program to be fair to the people of this country.

□ 1545

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I rise to oppose this amendment.

Once again, here we are for the fourth, fifth, maybe sixth time in which we see amendments which seek to plus up accounts at the expense of the Fossil Energy Program. While I do not stand here on this particular amendment or on any of the others, Mr. Chairman, to say that I oppose the funds which they propose to plus up, once again I am here to urge Members that this cannot be done at the expense of the Fossil Energy R&D Program.

We have taken our hits, Mr. Chairman, over a 20-percent cut, in fossil energy R&D in the last 2 years. Every year we are seeing that amount go down in real numbers. We just cannot afford to give anymore from the fossil energy R&D budget. While these programs that are being proposed in this amendment and others may be worthy programs, to fund them at the expense of our long-term energy interests, at the expense of fossil energy R&D, is simply not acceptable.

Mr. Chairman, I would urge all Members on both sides of the aisle to oppose this amendment, as we have all the other amendments which put fossil energy R&D in jeopardy.

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

Mr. Chairman, the $25 million that we are using for these purposes, in other words, deficit reduction and increasing PILT payments to local communities all over America, comes from the fossil energy research and development fund. According to the report of the fiscal year 1997 budget resolution, which passed the House, this is the Republican resolution, let me quote:

> The Department of Energy has spent billions of dollars on research and development since the oil crisis in 1973 triggered this activity. Returns on this investment have not been cost effective, particularly for applied research and development which industry has ample incentive to undertake. Some of this activity is simply corporate welfare for the oil, gas and utility industries. Much of it duplicates what industry is already doing. Some has gone to fund technologies in which the market has no interest.

That is not BERNIE SANDERS, that is the budget resolution of the Republican majority. Mr. Chairman, this amendment has much to do with honoring our commitment to local communities all over America, including 51 towns in the State of Vermont who are not receiving their fair share of PILT payments from the Federal Government.

We have heard a lot of talk in recent years about devolution, about giving responsibility back to local communities, about our respect for local government. If we respect local government, then we should not cheat them. We should provide the type of payments to which they are due.

As I mentioned earlier, right now the PILT payments come to about 60 to 70 percent of what has been authorized. We are asking, the gentlewoman from Idaho [Mrs. CHENOWETH] and I are asking for $25 million. Of that, $15 million goes straight to deficit reduction, 10 million goes back to the local communities

Mr. Chairman, I would end simply by saying this. If all of the Members who agree with the philosophy of the gentlewoman from Idaho [Mrs. CHENOWETH] would support it, all those who agree with my philosophy would support it, and all of those in-between would support it, we would end up with 435 votes and we would be very happy.

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

Mrs. CHENOWETH. Mr. Chairman, I yield 1½ minutes to the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. GOODLATTE. Mr. Chairman, I thank the gentlewoman for yielding me this time, and I rise in strong support of her and the gentleman from Vermont's amendment.

This is a serious problem all across the country. We can see it in New England, we can see it in the far west, we can see it in Minnesota. It is also a problem in the south. In my congressional district, one-third of all the land in the district is owned by the Federal Government. Some of the counties in my district, more than 50 percent of all the land in those counties is owned by the Federal Government.

The Federal Government pays zero to those local counties in the form of taxes to help support all of the infrastructure that is needed to support the use of that land. The employees who work for the Forest Service, the National Park Service, other Federal Government facilities utilize the local school system, utilize the roads. The visitors do the same thing and yet they do not get anything.

Over the past few years, we have worked very hard to increase the authorized level of support for the Payment In Lieu of Taxes Program. The bill in 1994 amended it to address the revenue shortfall and increase the previous authorization, which right now is 75 cents to 93 cents per acre in 1995, $1.11 in 1996, and $1.29 in 1997.

But the Committee on Appropriations has not increased those payments in accordance with what the authorizing committee has and what this entire Congress has approved, and I would urge this Congress to adopt this amendment and provide the additional support that these communities need.

The CHAIRMAN. The gentlewoman from Idaho [Mrs. CHENOWETH] has 1½ minutes remaining, and the gentleman from Ohio [Mr. REGULA] has 6 minutes remaining. The gentleman from Ohio has the right to close.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BROWN], the ranking member of the Committee on Science.

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

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding me the time.

I think some of you may be asking why I am standing up here so frequently to defend a budget, an appropriation bill which cuts rather severely into some of my favorite programs, and I think all of you know my concern about research and development programs. The outlook for national research and development over the next 6 years, until 2002, is for a 25-percent cut. In my view, this will be catastrophic for the future of America.

It is going to deprive us of the investments necessary for economic success and world competitiveness. This bill is making a small effort to prevent the faster erosion of this capability, and I commend the chairman for what he is doing to protect some of the key areas of research and development.

Now, some of the areas that the gentleman is protecting are under attack from others who attack them not because they are not good research but because they do not like the fact that it is a partnership arrangement between a mature industry and the Federal Government. I have spoken on this before and pointed out how important it is that we have these partnerships, because there is no incentive for these companies to invest when they are making a profit and their business is good and they really do not need it. But by having the Government pay part of the cost, you leverage that and you encourage them to make the additional investment that they would not make.

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

Mr. BROWN of California. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, on this committee, we have been building those programs not only for years but for decades, and to take money that they want to take out of these funds would be catastrophic. I agree with the gentleman.

Mr. BROWN of California. Reclaiming my time, my problem here is to try and avoid having Members who have a worthy cause and, frankly, the payment in lieu of taxes is a worthy cause, continually pick away at these programs which are already on a downward trend, that is going to be disastrous for the Nation.

I believe in payments in lieu of taxes. I support them. They benefit my county. But I cannot sit idly by, as you look at the various programs and you see this deep pocket or that deep pocket, which almost invariably ends up being a research program, and you do not understand what is happening to our national research investments over the next 5 years. We are headed in a disastrous direction, and I want to try and stop it, if I can.

Mr. Chairman, I commend the chairman for the efforts that he is making to assist in this.

Mrs. CHENOWETH. Mr. Chairman, I yield the balance of my time to the gentleman from Oregon, my good friend, Mr. COOLEY.

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

Mr. COOLEY. Mr. Chairman, I have 20 counties in the district I represent. Over 60 percent of the land in those counties is owned by the Federal Government. Needless to say, these counties which are trying to make heads or tails out of their declining budgets are struggling to survive. Unlike other counties, they have no way of raising revenue through property taxes. They rely on payments in lieu of taxes to make ends meet. Unfortunately, for the second year in a row, they have seen these payments frozen by the Federal Government.

In addition, these counties rely on revenues raised by Federal timber salvage to supplement their budgets. But these lands have been locked up by obstructionists and the environmental communities. These groups claim to speak for the conservationists, but they would rather see millions of acres of forestland burn due to poor forest health and not implementing sound forest management practices.

If the Federal Government is gong to insist there be no timber harvests on Federal lands, they must do one of two things: One, increase PILT payments; or two, turn these lands back over to the States for their management.

Mr. Chairman, our counties are having tough choices to make about vital services. It is time for the Federal Government to recognize its responsibility and grant a much needed increase in the PILT payments. I urge tremendous support of this bill.

Mr. REGULA. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me say it was the Subcommittee on the Interior that created PILT. If Mr. YATES recalls, the gentleman from Colorado, Frank Evans, was on the subcommittee, offered the language. We did a little authorizing in those days. On our appropriation bill, we created PILT. It is a good program. There is not any question about that, and both Mr. YATES and I support it.

We have continued to fund it on an increased basis year after year and we kept it whole this year, even though the President recommended a $12 million cut. But we likewise, as Mr. YATES pointed out, have been concerned about the energy security of this Nation. Admittedly, there has been money wasted. That is one of the reasons we are downsizing 10 percent a year. In terms of our committee, one of the areas we have taken the biggest hits, is on fossil energy. But by the same token, as we were reminded a few weeks ago, the energy security of this Nation at best is fragile.

It is fragile because we depend on offshore resources. It means, of course, that our military could be at risk if we do not have access to adequate energy. But more importantly than that is our jobs in this country are tied, every facet of our life is heavily energy dependent, perhaps more than any other nation in the world. We have to find out ways to burn energy and use energy in a more efficient way. We have to find ways to use energy that is nonpolluting.

We are dedicated to clean air, to clean water, to enhance our environment, to do that and still use the energy we need to provide the jobs, to provide economic growth, which is vital to a nation. If you read the literature, without exception economists say the most important thing we can do in the United States to address the deficit problem, to address the problems of unemployment is to have economic growth. Well, what does economic growth mean? It means using more electricity. It means using more natural gas, more coal, more petroleum, and yet at the same time, we want to protect our environment.

We have made great strides. To say that the millions of dollars was wasted is erroneous. The air today is cleaner. The water is cleaner. We have automobiles that get 30 miles to the gallon that a few short years ago were getting 20 or less. So we have made great strides as a result of the money we have invested in technology coming out of this subcommittee, and we have tried to very carefully reduce those expenditures.

Mr. Chairman, I think our funding for fossil energy resources is at a minimum if we care about achieving economic growth, while at the same time protecting our environment. We have had a number of efforts made to reduce our fossil energy. It has become somewhat of an easy target. Let me say, Members, that PILT payments in the future depend on a strong economy to provide the taxes to do so, and all of the other things that we cherish depend on economic growth and the clean environment we want.

So let us not destroy what we have achieved. Many companies have invested a lot of money, along with the Government. We are close to breakthroughs. We have tried to be very careful in keeping alive these programs that we have contractual commitments, and I urge a vote against this amendment.

Mr. POMEROY. Mr. Chairman, I rise to speak on the amendment of Representative SANDERS which would increase the payment in lieu of taxes [PILT] for local governments. Unfortunately, this amendment is structured to provide a $10 million increase to PILT and $15 million return to the Treasury—all funded out of a reduction in fossil energy research and development.

Mr. Chairman, I believe strongly that the $114 million PILT appropriation provided in this bill does not adequately address the needs of our counties. PILT is vitally important

to help fund schools, roads, and firefighters in counties with large tracts of Federal lands. In fiscal year 1995, North Dakota received $822,952 for its PILT payments. This amendment would likely increase that amount by about $80,000.

However, the minimal increase in PILT does not come close to offsetting the economic impact of the lignite industry in our State. Federal support for fossil energy research is critical to the economy of North Dakota. The funding this amendment targets—fossil fuel research and development—leads to more efficient use of fossil fuels and benefits all of North Dakota's economy.

What's more this funding is pivotal in finding solutions to environmental problems arising out of the use of these fuels. The Energy and Environmental Research Center in Grand Forks, ND, provides practical solutions to these critical barrier issues. Some of the innovative projects underway at EERC include the control of air toxins, cleanup of mercury-contaminated gas industry sites, cleanup of hydrocarbon contaminated soil and water, emissions control technologies for nearly everything that enters the atmosphere, development of cost-effective analytical techniques for waste site cleanup, and the development of cost-effective small electric generating units for Native villages in Alaska.

The United States, and North Dakota, have an abundance of fossil fuels and will continue to utilize these fuels for our energy needs. The question facing Congress is whether we make the necessary investments to improve our use of these critical fuels.

I firmly believe it is incumbent upon this Congress to provide adequate funding for local governments who are adversely affected by the presence of Federal land. Unfortunately, this amendment's funding offset left me no choice but to oppose it.

□ 1600

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 455, further proceedings on the amendment offered by the gentleman from Vermont [Mr. SANDERS] will be postponed.

AMENDMENT OFFERED BY MR. STUPAK

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. STUPAK: At the end of the bill (proceeding the short title) add the following new section:

SEC. . None of the amounts made available by this Act may be used for design, planning, implementation, engineering, construction, or any other activity in connection with a scenic shoreline drive in Pictured Rocks National Lakeshore.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Michigan [Mr. STUPAK] will be recognized for 5 minutes, and the gentleman from Ohio [Mr. REGULA] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Michigan [Mr. STUPAK].

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

Mr. Chairman, I rise in support of my amendment, No. 32, as printed in the RECORD. This amendment is a win-win situation which saves the Government and taxpayers $13 million while also saving precious environmental resources. Since we have been debating this bill for quite a while, and this is hopefully a noncontroversial amendment, and I believe it is, I will be brief.

When the Pictured Rocks National Lakeshore was created in 1966, Congress adopted a provision requiring the National Park Service to build a new road through the park along the lake. Such a road would destroy hundreds of beautiful acres of forest, fauna, and precious fragile ecosystem while costing taxpayers an estimated $13 million.

Since 1966, park visitors have been using Alger County Road H–58, which runs through the eastern side of the park and skirts around to the south and west of the park.

I have introduced this legislation and this amendment, if you will, to delete the mandate for the Park Service to build a new road through the park. Instead, I would ask that the Park Service be allowed up upgrade the existing county road, H–58, which runs through part of the park and currently provides adequate access for all park visitors.

This proposal has the support of both local officials and the National Parks and Conservation Association. However, until we can secure passage of this legislation, it is important to prevent the Park Service from moving forward with plans to build a totally unnecessary road at a cost of $13 million and also harm our environment.

Mr. Chairman, I am joined by the gentleman from Michigan [Mr. EHLERS] who has helped me on this legislation. I regret he is not on the floor at this time.

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

Mr. STUPAK. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I wanted to advise the gentleman we are always happy to save $13 million, and we are prepared to accept this amendment and congratulate the gentleman for his statesmanship.

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

Mr. STUPAK. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, our side, too, will be happy to accept the amendment.

Mr. STUPAK. Mr. Chairman, reclaiming my time, I thank the both the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA] for their acceptance and for helping us out.

Mr. Chairman, I would like to engage the gentleman from Ohio in a colloquy about this.

I want to thank my friend fro Ohio, the chairman of the Subcommittee on Interior, for accepting this amendment. Due to the rules of the House, I could not offer this amendment on another part of the proposal that I have, and that proposal would allow the Park Service to expend funds to upgrade the existing road, H–58, which I spoke of. I am currently working with the Committee on Resources to provide for that authority. I would hope, and would ask, the gentleman from Ohio would be willing to work with me in providing funding for this much-needed upgrade of H–58.

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

Mr. STUPAK. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, while I have the floor, I want to advise my colleagues that we are very close to votes on the four amendments that have been rolled over. When those are completed, we are moving toward final passage. So thanks to a lot of cooperation today, we are getting along in pretty good shape.

Now, for the gentleman from Michigan [Mr. STUPAK], I would be glad to work with the gentleman on this proposal.

Mr. STUPAK. Mr. Chairman, reclaiming my time, I thank the gentleman from Ohio.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. STUPAK].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OLVER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OLVER: On page 59, line 24, after the dollar amount insert: ''(increased by $4,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, June 19, 1996, the gentleman from Massachusetts [Mr. OLVER] will be recognized for 5 minutes, and the gentleman from Ohio [Mr. REGULA] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. OLVER].

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

Mr. Chairman, I am offering this amendment with the gentleman from Michigan [Mr. EHLERS] who, as the previous speaker said, he is probably on the way at the very moment. I hope is on the way.

In any case, the amendment that we are offering would add $4 million to the Energy Conservation Program in this bill. These funds are to be used in the codes and standards section within the energy conservation component of the bill, and at least $3 million of those dollars are intended to be used in what I think and what I think very many of

us believe is a very important effort to update the State codes, to assist the States in the updating of the energy codes among the 50 States.

These funds are intended to continue implementing the cooperative cofunded incentive grant program of technical assistance that actively assists the States in the process of updating and implementing their residential and commercial codes.

I would point out to the body that none of the programs related to this update of State codes via the cooperative cofunded incentive grants falls under what has been expressed strongly by the committee in the committee report, the concerns of the committee related to the creation of any new standards. There are no new standards in that component at all.

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

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

Mr. Chairman, we recognize that the DOE is working diligently to revamp its codes and standards programs. I know both the gentleman from Massachusetts [Mr. OLVER] and the gentleman from Michigan [Mr. EHLERS] have worked on this. This is a bipartisan amendment. We have no objections to the modest increases.

I have talked with our colleague, the gentleman from Mississippi [Mr. PARKER], who is interested in this subject. He advises me he is supportive of getting money into the States to establish their standards, and most of this increase would be to help the States implement the consensus building program outlined in the committee report.

For all of those reasons, we are happy to accept this amendment.

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

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, our side believes this is a good amendment, too, and we are accepting it.

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

Mr. Chairman, I would just like to say that it has been a pleasure to work with my colleague from Michigan, Mr. EHLERS, and to work with the chairman and the ranking member and the staffs on both sides of the aisle.

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

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. OLVER].

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 455, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

Amendment No. 11 offered by the gentlewoman from Oregon [Ms. FURSE]; amendment No. 17 offered by the gentleman from Oklahoma [Mr. ISTOOK]; amendment No. 15 offered by the gentleman from Minnesota [Mr. GUTKNECHT]; and amendment No. 27 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 NO. 11 OFFERED BY MS. FURSE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Oregon [Ms. FURSE] 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 209, noes 211, not voting 14, as follows:

[Roll No. 262]

AYES—209

Abercrombie
Ackerman
Andrews
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blumenauer
Blute
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Buyer
Campbell
Cardin
Castle
Chrysler
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Durbin
Ehlers
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gordon
Goss
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hilliard
Hinchey
Horn
Hoyer
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kingston
Kleczka
Klug
LaFalce
Lantos
Lazio
Leach
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran
Morella
Murtha
Nadler
Neal
Obey
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Porter
Portman
Poshard
Quinn
Rahall
Reed
Richardson
Rivers
Roemer
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shays
Skaggs
Slaughter
Smith (MI)
Smith (NJ)
Spratt
Stark
Stokes
Studds
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOES—211

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bishop
Bliley
Boehner
Bonilla
Bono
Brewster
Browder
Bryant (TN)
Bunn
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
English
Ensign
Everett
Ewing
Foley
Fowler
Franks (CT)
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gillmor
Gonzalez
Goodlatte
Goodling
Graham
Greene (UT)
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hutchinson
Istook
Johnson, E. B.
Johnson, Sam
Jones
Kim
King
Klink
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Lucas
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Ortiz
Orton
Oxley
Packard
Paxon
Pickett
Pombo
Pomeroy
Pryce
Quillen
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Salmon
Scarborough
Schaefer
Schiff
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Traficant
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—14

Emerson
Fields (TX)
Houghton
Hyde
Lincoln
McDade
McIntosh
Parker
Peterson (FL)
Ramstad
Rangel
Roth
Tauzin
Torricelli

□ 1628

Messrs. FATTAH, WILSON, and PETRI changed their vote from ''no'' to ''aye.''

So the agreement was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BUYER. Mr. Chairman, on rollcall vote 262, the first amendment, I inadvertently voted ''yea.'' I meant to vote ''nay.'' I ask that the RECORD reflect a ''no'' vote on rollcall vote 262.

AMENDMENT OFFERED BY MR. ISTOOK

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oklahoma [Mr. ISTOOK] on which further proceedings were postponed and on which the ayes 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 will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 212, noes 206, not voting 16, as follows:

[Roll No. 263]

AYES—212

Abercrombie
Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barcia
Barr
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bilirakis
Bliley
Boehner
Bonilla
Borski
Boucher
Brownback
Bryant (TN)
Bunning
Burr
Buyer
Calvert
Campbell
Canady
Cardin
Chabot
Chambliss
Chapman
Chenoweth
Chrysler
Clement
Coble
Coburn
Collins (GA)
Combest
Condit
Costello
Cox
Crane
Cremeans
Cunningham
Danner
Deal
DeFazio
Dickey
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
English
Everett
Ewing
Flanagan
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frisa
Ganske
Gekas
Geren
Gibbons
Gillmor
Goodlatte
Goodling
Gordon
Graham
Greene (UT)
Hall (TX)
Hamilton
Hancock
Harman
Hastert
Hastings (WA)
Hayes
Hefley
Heineman
Herger
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hutchinson
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Johnston
Kaptur
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Leach
Lewis (KY)
Lightfoot
Lipinski
Livingston
Longley
Lowey
Lucas
Manzullo
Martini
Mascara
McCarthy
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Oxley
Parker
Paxon
Payne (VA)
Petri
Pickett
Pombo
Poshard
Quinn
Radanovich
Rivers
Roberts
Roemer
Rohrabacher
Roukema
Royce
Salmon
Sanford
Scarborough
Schaefer
Schumer
Sensenbrenner
Shadegg
Shays
Shuster
Sisisky
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Taylor (MS)
Thomas
Thornberry
Thurman
Tiahrt
Upton
Visclosky
Vucanovich
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NOES—206

Ackerman
Andrews
Baesler
Baker (LA)
Baldacci
Barrett (NE)
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bishop
Blumenauer
Blute
Boehlert
Bonior
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Burton
Callahan
Camp
Castle
Christensen
Clay
Clayton
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooley
Coyne
Cramer
Crapo
Cubin
Cummings
Davis
de la Garza
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Ford
Frank (MA)
Franks (CT)
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Goss
Green (TX)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hayworth
Hefner
Hilleary
Hilliard
Hinchey
Horn
Hoyer
Hunter
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Kolbe
Lantos
Lazio
Levin
Lewis (CA)
Lewis (GA)
Linder
LoBiondo
Lofgren
Luther
Maloney
Manton
Markey
Martinez
Matsui
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Murtha
Myers
Nadler
Neal
Oberstar
Olver
Ortiz
Orton
Owens
Packard
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (MN)
Pomeroy
Portman
Pryce
Quillen
Rahall
Reed
Regula
Richardson
Riggs
Rogers
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Scott
Seastrand
Serrano
Shaw
Skaggs
Skeen
Spratt
Stark
Stokes
Studds
Stupak
Taylor (NC)
Tejeda
Thompson
Thornton
Torkildsen
Torres
Towns
Traficant
Velazquez
Vento
Volkmer
Ward
Watt (NC)
Watts (OK)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—16

Bono
Emerson
Fields (TX)
Hansen
Houghton
Hyde
Lincoln
McDade
Peterson (FL)
Porter
Ramstad
Rangel
Roth
Tauzin
Torricelli
Waters

□ 1635

The Clerk announced the following pair:

On this vote:

Mr. Emerson for, with Mr. Rangel against.

Mr. MOORHEAD and Mr. HOBSON changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTER. Mr. Chairman, on rollcall No. 263, I was present on the floor and was engaged in conversation with another Member about my subcommittee's bill funding the Departments of Labor, Health and Human Services and Education and inadvertently neglected to vote.

Had I voted, I would have voted ''aye.''

AMENDMENT OFFERED BY MR. GUTKNECHT

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] 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 128, noes 291, not voting 15, as follows:

[Roll No. 264]

AYES—128

Allard
Armey
Bachus
Baker (CA)
Barcia
Barr
Barrett (WI)
Barton
Bateman
Bilbray
Bilirakis
Boehner
Brewster
Brownback
Bunning
Burton
Camp
Campbell
Chabot
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Doolittle
Dreier
Edwards
English
Ensign
Ewing
Fawell
Foley
Franks (NJ)
Funderburk
Gekas
Gillmor
Goodlatte
Graham
Gutknecht
Hamilton
Hancock
Hastert
Hayes
Hayworth
Hefley
Heineman
Herger
Hoekstra
Hoke
Horn
Hostettler
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kaptur
Kasich
Kleczka
Klug
LaHood
Largent
Laughlin
Lewis (KY)
Linder
Lipinski
Lucas
Luther
Manzullo
McInnis
McIntosh
Metcalf
Meyers
Minge
Montgomery
Myrick
Neumann
Norwood
Nussle
Parker
Paxon
Peterson (MN)
Petri
Pombo
Poshard
Radanovich
Roberts
Roemer
Rohrabacher
Royce
Salmon
Sanford
Scarborough
Sensenbrenner
Shadegg
Shays
Shuster
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Taylor (MS)
Thomas
Thornberry
Tiahrt
Upton
Watts (OK)
Zimmer

NOES—291

Abercrombie
Ackerman
Andrews
Archer
Baesler
Baker (LA)
Baldacci
Ballenger
Barrett (NE)
Bartlett
Bass
Becerra
Beilenson
Bentsen
Berman

Bevill
Bishop
Bliley
Blumenauer
Blute
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Buyer
Callahan
Calvert
Canady
Cardin
Castle
Chambliss
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Cramer
Cremeans
Cummings
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Engel
Eshoo
Evans
Everett
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Goss
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hastings (WA)
Hefner
Hilleary
Hilliard
Hinchey
Hobson
Holden
Hoyer
Hunter
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Livingston
LoBiondo
Lofgren
Longley
Lowey
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pickett
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Rahall
Reed
Regula
Richardson
Riggs
Rivers
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Serrano
Shaw
Sisisky
Skaggs
Skeen
Slaughter
Solomon
Spence
Spratt
Stark
Stokes
Studds
Stupak
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NOT VOTING—15

Bereuter
Dickey
Emerson
Fields (TX)
Hansen
Houghton
Hyde
Lincoln
McDade
Peterson (FL)
Ramstad
Rangel
Roth
Tauzin
Torricelli

□ 1642

The Clerk announced the following pair:

On this vote:

Mr. Tauzin for, with Mr. Rangel against.

Ms. ROYBAL-ALLARD and Mr. KIM changed their vote from ''aye'' to ''no.''

Mr. THOMAS changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Vermont [Mr. SANDERS] on which further proceedings were postponed and on which the noes prevailed by voice note.

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 186, noes 237, not voting 11, as follows:

[Roll No. 265]

AYES—186

Abercrombie
Ackerman
Allard
Baldacci
Ballenger
Barcia
Barr
Bass
Becerra
Bilbray
Blumenauer
Bono
Burton
Camp
Chabot
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clyburn
Coburn
Collins (MI)
Condit
Conyers
Cooley
Costello
Cox
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Deal
DeFazio
Dellums
Deutsch
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Ensign
Evans
Farr
Fazio
Fields (LA)
Filner
Flake
Foley
Fowler
Fox
Furse
Gallegly
Ganske
Gekas
Gilman
Goodlatte
Goodling
Goss
Gutierrez
Gutknecht
Hamilton
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hoke
Horn
Hostettler
Hutchinson
Jackson (IL)
Jacobs
Jefferson
Johnson (SD)
Johnston
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kim
Kingston
Kleczka
Klug
Kolbe
LaFalce
LaHood
Latham
LaTourette
Leach
Lewis (KY)
Lightfoot
Lipinski
Lofgren
Luther
Manzullo
Martini
McCarthy
McCollum
McDermott
McHugh
McInnis
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Minge
Mink
Myrick
Nethercutt
Neumann
Norwood
Nussle
Oberstar
Obey
Orton
Owens
Pastor
Paxon
Payne (NJ)
Peterson (MN)
Petri
Pombo
Portman
Poshard
Quinn
Radanovich
Rahall
Rangel
Richardson
Riggs
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Scarborough
Schroeder
Scott
Sensenbrenner
Serrano
Shadegg
Shays
Skelton
Smith (MI)
Smith (WA)
Spence
Spratt
Stearns
Stockman
Stokes
Stump
Stupak
Talent
Tanner
Tate
Taylor (MS)
Taylor (NC)
Thompson
Thornton
Thurman
Towns
Vucanovich
Walker
White
Williams
Wise
Woolsey
Young (AK)
Zeliff
Zimmer

NOES—237

Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Campbell
Canady
Cardin
Castle
Chambliss
Chapman
Clinger
Coble
Coleman
Collins (GA)
Collins (IL)
Combest
Coyne
Cramer
Crane
Davis
de la Garza
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Everett
Ewing
Fattah
Fawell
Flanagan
Foglietta
Forbes
Ford
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gonzalez
Gordon
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hancock
Hastert
Hayes
Heineman
Hinchey
Hobson
Hoekstra
Holden
Hoyer
Hunter
Hyde
Inglis
Istook
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kennelly
Kildee
King
Klink
Knollenberg
Lantos
Largent
Laughlin
Lazio
Levin
Lewis (CA)
Lewis (GA)
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCrery
McHale
McIntosh
McNulty
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal
Ney
Olver
Ortiz
Oxley
Packard
Pallone
Parker
Payne (VA)
Pelosi
Pickett
Pomeroy
Porter
Pryce
Quillen
Reed
Regula
Rivers
Roberts
Rogers
Roukema
Sabo
Sawyer
Saxton
Schaefer
Schiff
Schumer
Seastrand
Shaw
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (NJ)
Smith (TX)
Solomon
Souder
Stark
Stenholm
Studds
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Torres
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wynn
Yates
Young (FL)

NOT VOTING—11

Emerson
Fields (TX)
Hansen
Houghton
Lincoln
McDade
Peterson (FL)
Ramstad
Roth
Tauzin
Torricelli

□ 1651

Ms. SLAUGHTER and Messrs. MOORHEAD, GRAHAM, and FATTAH changed their vote from ''aye'' to ''no.''

Mr. STOCKMAN, Mr. NUSSLE, Mrs. MEEK of Florida, Mr. TOWNS, and Mr. YOUNG of Alaska changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HUNTER. Mr. Chairman, I ask unanimous consent to strike the last word.

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

There was no objection.

Mr. HUNTER. Mr. Chairman, I rise for the purpose of engaging the gentleman from Ohio [Mr. REGULA] in a colloquy.

Mr. Chairman, as the gentleman knows, smuggling in the border region of eastern San Diego County has reached epidemic proportions. A large portion of the border region consists of lands managed by the BLM and National Forest System.

To stem this tide of smuggling, the Border Patrol needs additional border fencing and access to roads on these Federal lands.

I know the gentleman is familiar with the committee's report, which identifies this border region as an area of high priority. It is my hope that it is the chairman's intention to urge strong measures to help stem the massive flow of illegal aliens and narcotics plaguing this area.

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

Mr. HUNTER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the committee is aware of the smuggling epidemic existing on the Federal lands within this region of eastern San Diego County. It is certainly our intention that the BLM and National Forest Service should accommodate Federal law enforcement agencies by allowing those agencies to construct fences and roads along our international border with Mexico.

Further, please be aware of the committee's intent to strongly monitor the BLM and Forest Service toward these ends.

Mr. HUNTER. I want to thank the gentleman from Ohio [Mr. REGULA] for his support for the building of roads and fences to assist our border patrol agents in California.

Mr. POMEROY. Mr. Chairman, I must reluctantly rise in opposition to this bill in its final form. I am pleased that the committee increased funding above the President's request for fossil energy research and development. It is in the national economic interest to fund this research to ensure use of these resources is both more efficient and environmentally friendly.

One project funded in my State, the Energy and Environmental Research Center in Grand Forks, ND, is a model for providing practical solutions to critical barrier issues.

I believe many areas of this bill have been improved since the House considered the bill for fiscal year 1996. However, the cuts in this bill to the Bureau of Indian Affairs left me with no choice but to oppose it.

Mr. Chairman, I opposed both the House bill and the conference report of the versions of the fiscal year 1996 Interior appropriations. The deep cuts contained in those bills for Native American programs were unjustified and were an abandonment of the Federal Government's trust responsibility to the tribes. The Omnibus Appropriations bill signed into law in April was an improvement, but it still cut funding for the operation of Indian programs by 8 percent from 1995 levels. This bill compounds that hit by cutting funding for these critical programs by another 3 percent.

Mr. Chairman, representing four reservations in my State, I know first hand about the unmet needs of these tribes. Funding in fiscal year 1995 was inadequate to meet the health, education, and training needs of these individuals. To make deep cuts in these programs will leave many tribes with no option but to suspend programs, cut services, and shut their tribal office doors. This is absolutely unacceptable.

I am hopeful that deliberations with the Senate will provide a more acceptable level of funding to our Nation's first Americans.

Mrs. LINCOLN. Mr. Chairman, I rise to advocate changes to our funding priorities within the Forest Service [FS]. As the appropriations for FS programs continue to decline, Congress and the FS need to reevaluate the uses of our Federal dollars.

Currently the return of revenue to the Treasury plays absolutely no role in determining where Federal resources are spent. Therefore, many profitmaking areas do not receive enough money to operate at full capacity, thus minimizing the total revenue to the Treasury. If revenue-generating facilities were able to run at full capacity, they could also help support other Forest Service activities that are important, but that do not return much revenue to the Federal Government.

I have personally witnessed the impact of funding cuts on the operations of facilities in the First Congressional District of Arkansas. Recently, Blanchard Springs Caverns [BSC] in the Ozark National Forest was forced to consider proposals to close the facility 2 days a week during its most heavily used times. BSC, which boasts beautiful stalactite and stalagmite formations, is the jewel of the forest. This limited schedule proposal would have saved around $40,000, but would have resulted in a total loss of approximately $120,330 in revenue to the Treasury. I'm not an economist, but according to these figures, the Treasury would have lost a total of $80,330 in revenue from the limited schedule. These figures do not even factor in the adverse impact on the local community, which is heavily reliant on tourism dollars. This proposal did not ultimately go forward, but with the estimated continued decline in BSC's funding, this will be an ever present problem.

Congress must also refocus on investing in recreational areas. Estimates from the Forest Service conclude that FS facilities contribute a total of $134 billion to the gross domestic product. Of that amount, around $98 billion comes from recreation activities and $7 billion comes from timber sales. However, despite these figures, funding for recreation continues to decline while funding to accommodate timber sales is on the rise. Additionally, we must recognize the ancillary tourism benefits arising from Federal recreational facilities. Tourism is the second largest industry in this country, creating 6 million jobs directly and 5 million jobs indirectly. This results in $380 billion in expenditures and a $22 billion trade surplus. Our Federal lands and facilities are essential components of this industry.

The recent cuts in the Forest Service [FS] accounts have forced forest supervisors to reduce public access to many popular facilities. While funding in this bill slightly increases the funding for the FS's recreational programs, it still will not cover the backlog of maintenance that needs to be done.

Mr. Speaker, as the demand for Federal dollars continues to increase and the availability continues to decline, we must also reevaluate our current budget priorities. While I am a budget hawk and consistently seek ways to reduce wasteful Federal spending, I believe that budget cuts must be fair, particularly to those programs that work. This year, defense appropriations exceeded the administration's request by $11.1 billion—5 percent—and the fiscal year 1996 level by $3.7 billion. A relatively small portion of these increases could have been used by the National Forest Service to fund more trail and facility maintenance, needed facility construction, and basic operations. People in this country use our public lands and resources and they deserve adequate access.

Mr. Speaker, again, I question the wisdom of continually reducing funding for public facilities that are used, enjoyed and actually return money to the U.S. Treasury. Congress must recognize the value of maintaining our public lands.

Mr. REED. Mr. Chairman, I rise in support of H.R. 3662, the Interior appropriations bill for fiscal year 1997. I would like to thank Chairman REGULA and Representative YATES for their work, which has been all the more difficult because of misguided Republican budget priorities.

I realize that this measure has many serious shortcomings. H.R. 3662 makes excessive cuts in important energy initiatives. In addition, the bill's allocation for our national parks falls short of meeting the increasing demand for visitor services, park maintenance, and resource protection. I am disappointed that the Republican majority created these problems by insisting on budget plans that fail to recognize the importance of our parks.

However, this debate has substantially improved this legislation. By approving the Dicks amendment, the House preserved the integrity of the Endangered Species Act. By adopting the Sanders amendment, the House restored needed funds for the low-income home weatherization program, which conserves energy and provides vital assistance to low-income Americans.

Furthermore, this measure helps to preserve a vital part of our Nation's heritage. H.R. 3662 renews the Federal commitment to the Blackstone River Valley National Heritage Corridor, the birthplace of the American industrial revolution. Drawing on the hard work and ingenuity of the region's people, this affiliated area of the National Park System is a model partnership between the private and public sectors that deserves our strong support.

I take pride in the great strides that we are making in the Blackstone Valley, and I will

vote to preserve the Federal commitment to these endeavors. I look forward to working with Chairman REGULA, Representative YATES, and our colleagues in the Senate to ensure that the final version of this legislation more effectively protects all of our Nation's environmental resources.

Mr. LEVIN. Mr. Chairman, I strongly object to the Department of Interior funding bill before the House today. Once again, the Republican majority has brought a bill to the floor that shortchanges our nation's Natural resources and attacks the environment.

The priorities of the majority party never cease to amaze me. Just last week, the House approved a defense appropriation bill that provides $11 billion more for military spending than even the Pentagon requested. At the same time, critical nondefense programs such as our national parks are underfunded.

The Interior bill before us today cuts $285 million from the President's request for the National Park Service. Years of lean budgets have forced the park system to defer maintenance and cut staff. As a result, our parks are increasingly falling into disrepair.

Ironically, resources for the park system continue to decline at a time when more and more Americans are visiting our national parks. This year, the number of visits to national parks will rise to 270 million. One national park superintendent put it this way: "Visitors [to the nation's national parks] will notice a major difference in park operations this year. I the years ahead . . . protecting resources and providing for visitor use will be increasingly compromised."

I likewise am concerned that this bill reduces funding for energy conservation programs $235 million below the administration's request. Such a reduction is short-sighted given our Nation's dangerous dependence on foreign sources of energy. These energy conservation programs not only work to improve our country's energy efficiency; they also provide a successful means of reducing pollution.

Because of these and other deficiences in the bill, I urge my colleagues to reject this legislation.

The CHAIRMAN. If there are no other amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GOODLATTE) having assumed the chair, Mr. BURTON of Indiana, 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. 3662), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997, and for other purposes, pursuant to House Resolution 455, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore (Mr. GOODLATTE). Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. KOLBE. Mr. Speaker, I demand a separate vote on the so-called Kennedy of Massachusetts amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will redesignate the amendment on which a separate vote has been demanded.

The text of the amendment is as follows:

Amendment: In the item relating to ''FOREST SERVICE—RECONSTRUCTION AND CONSTRUCTION''—

(1) after the first dollar amount, insert the following: ''(reduced by $12,000,000)''; and

(2) after the second dollar amount, insert the following: ''(reduced by $30,000,000)''.

The SPEAKER pro tempore. The question is on the amendment.

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

RECORDED VOTE

Mr. SANDERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 211, not voting 13, as follows:

[Roll No. 266]

AYES—211

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Berman
Bilbray
Bilirakis
Blute
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Campbell
Cardin
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Davis
de la Garza
DeLauro
Dellums
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Duncan
Durbin
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Fawell
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Goss
Greenwood
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hoekstra
Horn
Hostettler
Hoyer
Inglis
Jackson (IL)
Jacobs
Jefferson
Johnson (SD)
Johnston
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klug
LaFalce
LaHood
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Matsui
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Moran
Morella
Myrick
Nadler
Neal
Neumann
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Petri
Pomeroy
Porter
Portman
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Skaggs
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Spratt
Stark
Stokes
Studds
Talent
Tejeda
Thompson
Thurman
Torkildsen
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Walker
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Woolsey
Yates
Zimmer

NOES—211

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bishop
Bliley
Blumenauer
Boehner
Bonilla
Bono
Brewster
Browder
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
DeFazio
DeLay
Dickey
Dicks
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Edwards
Ehrlich
Ensign
Everett
Ewing
Fazio
Fowler
Franks (CT)
Frisa
Funderburk
Gallegly
Gekas
Geren
Gillmor
Gingrich
Goodlatte
Goodling
Graham
Green (TX)
Greene (UT)
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Holden
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kim
King
Kingston
Klink
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Lucas
Mascara
McCarthy
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Mollohan
Montgomery
Moorhead
Murtha
Myers
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Orton
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Pickett
Pombo
Pryce
Quillen
Radanovich
Regula
Riggs
Roberts
Rogers
Scarborough
Schaefer
Seastrand
Shadegg
Shuster
Sisisky
Skeen
Skelton
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Tanner
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thornton
Tiahrt
Traficant
Volkmer
Vucanovich
Walsh
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOT VOTING—13

Emerson
Fields (TX)
Hansen
Hayes
Houghton
Lincoln
McDade
Peterson (FL)
Ramstad
Roth
Sabo
Tauzin
Torricelli

□ 1715

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. YATES. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. YATES moves to recommit the bill, H.R. 3662, to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 176, nays 241, not voting 17, as follows:

[Roll No. 267]

YEAS—176

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Dooley
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green (TX)
Gutierrez
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Woolsey
Wynn
Yates

NAYS—241

Allard
Archer
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hancock
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—17

Armey
Baker (LA)
Callahan
Emerson
Fields (TX)
Foley
Hansen
Houghton
Lincoln
McCrery
McDade
Peterson (FL)
Ramstad
Roth
Tauzin
Torricelli
Wilson

□ 1734

Mr. SHAYS and Mr. GORDON changed their votes from ''yea'' to ''nay.''

Mr. MINGE changed from ''nay'' to ''yea.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the passage of the bill.

Pursuant to clause 7 of the rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 242, nays 174, not voting 18, as follows:

[Roll No. 268]

YEAS—242

Allard
Archer
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Condit
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
Mascara
McCollum
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Rahall
Reed
Regula
Rivers
Roberts
Rogers
Ros-Lehtinen
Roukema
Salmon
Sanford
Saxton
Schaefer
Schiff
Seastrand
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)

Smith (TX)	Thomas	Weller
Smith (WA)	Thornberry	White
Solomon	Torkildsen	Whitfield
Souder	Traficant	Wicker
Spence	Upton	Wise
Stenholm	Visclosky	Wolf
Talent	Vucanovich	Young (AK)
Tanner	Walsh	Young (FL)
Tate	Watts (OK)	Zeliff
Taylor (NC)	Weldon (FL)	Zimmer
Tejeda	Weldon (PA)	

NAYS—174

Abercrombie	Gephardt	Pastor
Ackerman	Gibbons	Payne (NJ)
Andrews	Green (TX)	Payne (VA)
Baesler	Gutierrez	Pelosi
Baldacci	Hamilton	Peterson (MN)
Barcia	Hancock	Petri
Barrett (WI)	Hastert	Pomeroy
Becerra	Hastings (FL)	Poshard
Beilenson	Hefner	Quinn
Bentsen	Hilliard	Rangel
Berman	Hinchey	Richardson
Blumenauer	Hostettler	Riggs
Bonior	Hoyer	Roemer
Borski	Jackson (IL)	Rohrabacher
Boucher	Jackson-Lee (TX)	Rose
Browder	Jacobs	Roybal-Allard
Brown (CA)	Jefferson	Royce
Brown (FL)	Johnson (SD)	Rush
Brown (OH)	Johnson, E. B.	Sabo
Bryant (TX)	Johnston	Sanders
Cardin	Kanjorski	Sawyer
Chapman	Kaptur	Scarborough
Clay	Kennedy (MA)	Schroeder
Clayton	Kennelly	Schumer
Clement	Kildee	Scott
Clyburn	Kleczka	Sensenbrenner
Coleman	Klug	Serrano
Collins (IL)	LaFalce	Skaggs
Collins (MI)	Lantos	Skelton
Combest	Levin	Slaughter
Conyers	Lewis (GA)	Spratt
Cooley	Lofgren	Stark
Costello	Lowey	Stearns
Cramer	Luther	Stockman
Cummings	Maloney	Stokes
Danner	Manton	Studds
DeFazio	Markey	Stump
DeLauro	Matsui	Stupak
Dellums	McCarthy	Taylor (MS)
Deutsch	McDermott	Thompson
Dingell	McHale	Thornton
Dixon	McKinney	Thurman
Doggett	McNulty	Tiahrt
Durbin	Meehan	Torres
Engel	Menendez	Towns
Eshoo	Millender-McDonald	Velazquez
Evans	Miller (CA)	Vento
Farr	Minge	Volkmer
Fattah	Mink	Walker
Fazio	Moakley	Wamp
Fields (LA)	Moran	Ward
Filner	Nadler	Waters
Flake	Neumann	Watt (NC)
Foglietta	Oberstar	Waxman
Ford	Obey	Williams
Frank (MA)	Owens	Woolsey
Frost	Pallone	Wynn
Furse		Yates
Gejdenson		

NOT VOTING—18

Armey	Houghton	Peterson (FL)
Baker (LA)	Lincoln	Ramstad
Callahan	McCrery	Roth
Emerson	McDade	Tauzin
Fields (TX)	Meek	Torricelli
Hansen	Olver	Wilson

□ 1754

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3662, and that I may include tabular and extraneous material.

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

There was no objection.

PERSONAL EXPLANATION

Mr. SCHUMER. Mr. Speaker, I was unavoidably detained and unable to make votes 249, 250, 251, and 252. Had I been present, I would have voted ''yes'' on all four.

LEGISLATIVE PROGRAM

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

Mr. FAZIO of California. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority whip about the schedule for next week. I would be happy to yield for whatever description of the schedule he would like to provide.

Mr. DELAY. I thank the gentleman for yielding.

Mr. Speaker, the House has concluded its legislative business for the week. On Monday, June 24, we will meet in pro forma session Of course, there will be no legislative business and no votes that day.

On Tuesday, June 25, the House will meet at 10:30 a.m. for morning hour, and 12 noon for legislative business. Members should note that we do expect recorded votes close to 1 p.m. Please be advised that we will have a full day planned for Tuesday, June 25.

The House will first debate H.R. 2531, the House Parent Exemption Act, which is on the corrections day calendar. We will then take up under suspension of the rules H.R. 3604, the Safe Drinking Water Act. After consideration of the suspension on Tuesday, the House will consider the rule for H.R. 3666, the VA–HUD appropriations, and the bill itself.

On Wednesday, June 26, and the balance of the week, the House will consider the appropriation bill for the Department of Transportation, and possibly for the Departments of Labor and Health and Human Services.

Mr. Speaker, I would also like to remind Members that we may take up a resolution holding the President's aides in contempt of Congress. It is our hope that the President will be forthcoming with the subpoenaed Travelegate documents before next week. However, in the event that these key documents are not provided, we may need to act on the contempt resolution.

Mr. Speaker, we hope to finish legislative business and start the July 4th district period by 2 p.m. on Friday, June 28. Members should be prepared to return to Washington on Tuesday, July 9. We expect recorded votes to be held that day after 5 p.m.

Mr. FAZIO of California. Mr. Speaker, I want to thank the whip for assuring members that 5 o'clock is still the time for votes on that Tuesday return after the Fourth of July break.

Is it likely that given the fact that the Labor-HHS bill is not yet marked up and probably will not be until the end of Tuesday of next week, that we probably are not likely to see it on the floor? Is it realistic that it will be the two appropriations bills, Transportation, VA–HUD?

Mr. DELAY. Well, the reason I said possibly consideration of the Labor-HHS appropriations bill is that hopefully we can work some sort of agreement out between the ranking member, Mr. OBEY, and the chairman, Mr. LIVINGSTON, so that we could go to that bill. If that is not possible, then we may not do the bill next week.

Mr. FAZIO of California. Mr. Speaker, I have another question. Could the gentleman tell me when the first reconciliation bill is likely to hit the floor. I know many thought it would be before us in the next week. I know also that the gentleman from Missouri [Mr. GEPHARDT], the Democratic leader, has written to the Speaker asking for some sort of clarification as to the intent of the majority with regard to welfare, Medicaid, and taxes, whether they would be tied together or come separately, would they or would they not be part of the reconciliation, and what requirements might the Committee on Rules impose as to how we could construct a viable Democratic alternative.

Is the gentleman in a position to give us any understanding about when that might come and how it might come?

□ 1800

Mr. DELAY. If the gentleman would continue to yield, those decisions have not been made as yet, and we are consulting with as many Members as possible to decide which is the best way to proceed.

We expect that the first reconciliation bill, if indeed we split up the reconciliation bill, would come soon after the July 4th break. We have every intention of working with the minority's leadership to make sure that the minority will have plenty of time in which to craft any substitute that they may want to offer.

Mr. FAZIO of California. Mr. Chairman, I appreciate the gentleman's assurance, and I look forward to finalizing the arrangements, because I want to maintain, very clearly, that the minority is very anxious to participate in the discussions, whether we take them up as a package or individually, and we look forward to providing an alternative.

I want to find out from the majority whip, if he can tell us, what will be the fate of the so-called reform week, which we understood was coming that week on our return. We now have backed up several key appropriations bills, we have just heard about the need to bring up the reconciliation bills, and we pick up anecdotally that many of the reforms are falling by the wayside.

I am wondering, is reform week still in our future, or has it perhaps been drifting off into oblivion?

Mr. DELAY. Mr. Chairman, if the gentleman will continue to yield, I would say to him that we want to continue the reputation that we have established in the 104th Congress of being the reform Congress. We have every intention of continuing with our plans for a reform week.

We intend to do a campaign finance reform bill. Unfortunately, we are slipping the schedule on our appropriations bills, and our first priority is to get through the 13 appropriation bills and use the precious floor time for them, but we have every intention of honoring our commitments on reforms, to continue the reforms that we have been working on, sometime in July.

Mr. FAZIO of California. Mr. Chairman, reclaiming my time, I would once again ask the gentleman, as I have the gentleman from California, Chairman THOMAS, and others who may have jurisdiction, if we could be given some understanding about what will be coming to the floor during that week, whenever it is.

It is our experience that when we have task force government in the legislative process, we do not always have an opportunity to participate until, all of a sudden, the legislation is before us. So, I am wondering when we may be informed about what will be the composition of reform week in some detail. Could the gentleman inform us?

Mr. DELAY. As soon as we know, we will let the gentleman know.

Mr. FAZIO of California. I consider that a very candid comment, and I appreciate the response.

One last question, and I will not prolong this. I know a good deal of attention is suddenly being focused on the MFN for China. Could the gentleman tell us when that very important debate, which is really bipartisan in nature, might well come before the body?

Mr. DELAY. Mr. Chairman, I would advise the gentleman that we are trying to work with both sides on the MFN issue. We are going to have a leadership meeting next week and we have been in discussion with our leadership team. There is a possibility that we would do MFN next week if we can get the floor time for it and do it.

We would like to get it on to the floor and moving as quickly as we can, and we think we can do that. Although, we cannot, for certain, say it is going to be next week, there is a possibility it will be brought up next week.

Mr. FAZIO of California. Does the gentleman have any idea how long we might have to debate that, how extensive the time commitment to MFN would likely be?

Mr. DELAY. If we do it next week, it would be several hours, but it would not be the 20 hours as required. We will consult with the minority leadership to make sure that every Member's requests are taken care of, but understanding that floor time is very precious.

Mr. FAZIO of California. Mr. Chairman, I will try to wrap this one up and yield further.

If it is possible, after the first two appropriations bills, VA–HUD and Transportation, are dealt with, if Labor-HHS is not ready, we may well then go to Thursday afternoon, Friday morning consideration of MFN; is that correct?

Mr. DELAY. I would say that that is a real possibility.

Mr. FAZIO of California. And Friday is firm, until 2, next week?

Mr. DELAY. Friday we will be out by 2 p.m. no matter what.

Mr. FAZIO of California. Mr. Chairman, I appreciate very much the input of the majority whip, and if the Speaker would forbear for just a second, I have been asked by the White House to indicate for those going to the picnic tonight that they are urging people to take Independence Avenue to 17th street, right on 17th, cross Constitution and take the first right turn onto the Ellipse.

There is a tremendous potential for a traffic snarl there tonight. Parking is available on the Ellipse and east toward East Executive Drive. If any Members who are listening to this have some concerns about it, call the cloakrooms of the two parties and we will help try to ease transportation.

HOUR OF MEETING ON TUESDAY, JUNE 25, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, June 24, 1996, it adjourn to meet at 10:30 a.m. on Tuesday, June 25, 1996, for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

ADJOURNMENT TO MONDAY, JUNE 24, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

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

There was no objection.

THE FILEGATE INVESTIGATION

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

Mr. HAYWORTH. Mr. Speaker, all Americans should note with pride the fact that the Olympic torch passes through Washington today on its way to Atlanta, GA, but we should issue this warning both to the International Olympic Committee and the U.S. Olympic Committee: ''Whatever you do with that torch, please don't stop at the White House.'' Chances are the torch would get lost and we would not see it for 2½ years. But I am sure that would be just an honest bureaucratic snafu.

Mr. Speaker, in all sincerity, this morning I respectfully request that we include in the RECORD the lead editorial in today's Washington Times entitled ''The Filegate Investigation.'' If we include that in the RECORD, we will come to the conclusion that all sober and fair-minded Americans should share, that with all due respect to the FBI, letting the FBI conduct its own investigation into the Filegate matter would be like letting the fox guard the henhouse. An independent counsel is needed to get to the truth on this subject.

THE FILEGATE INVESTIGATION

Now that Whitewater independent counsel Kenneth Starr has determined he lacks jurisdiction to investigate White House abuse of FBI background files on more than 400 Reagan and Bush appointees, Attorney General Janet Reno is planning to turn over the investigation to the FBI itself. That is less than a satisfactory solution—to put it mildly.

This unprecedented and ''egregious''—as FBI Director Louis Freeh describes it—violation of the Privacy Act could not, after all, have happened without FBI cooperation. And this is not the first time that that agency has overstepped the bounds of propriety, if not legality, in its willingness to cooperate with the Clinton White House. Senior FBI officials allowed themselves to be browbeaten by White House staffers into getting involved in constructing the Clintons' cover story for the summary firing of seven travel office employees in May, 1993. And now it turns out that for months afterwards, without batting an eye, they were merrily handling over hundreds of confidential files the White House had no business getting its hands on.

The White House responded to the initial revelations of these privacy violations with typical disingenuousness. While acknowledging it should never have happened, Clinton spokesmen laid it all at the feet of a low-level clerk, who had no idea who did or did not still need White House access and was using an outdated Secret Service list—and an order form stamped with then-White House Counsel Bernard Nussbaum's name. The Secret Service quickly jumped into the fray with the news that their lists of employees are constantly updated, and that active and inactive passholders are very clearly designated—in short, that there is no such thing as an out-dated Secret Service list.

That hardly mattered in any case, once it also became known that the clerk, civilian Army investigator Anthony Marceca, was actually a longtime Democratic hack, who'd been brought on board by and was working under the direction of another veteran Democratic operative, Craig Livingstone, who worked for then-Associate Counsel, Rose Law Firm partner and Clinton crony William H. Kennedy III. All three had every reason to know perfectly well that they didn't need

background files on, say, former Secretary of State James Baker.

None of this painful truth has stopped the White House's spin machine from continuing to maintain with a straight face that the illegal intrusion into confidential files by Clinton employees was nothing more than a ''bureaucratic snafu.'' Nor has it interfered with Democrats' unblushing assertions (which will ring a bell with anyone who followed the Senate Whitewater investigations) that any further questions about this scandalous act—and particularly the hearings that began this week in the House Government Reform and Oversight Committee (with more to follow soon on the Senate Judiciary Committee), are ''politically motivated.''

It's clear despite the PR, however, that the beleaguered folks in the Clinton White House recognize they're in trouble once again. The president and chief of staff have apologized, albeit in classic Clinton style—without admitting to any wrongdoing. Craig Livingstone, it was announced this week, will be going on ''requested'' paid leave of absence. And White House Counsel Jack Quinn has decreed that henceforth, all security operations will be put under the control of Charles Easley, a veteran career civil servant who was hired during the Reagan administration.

Admirably free of the Clintonian ethics plague as Mr. Easley undoubtedly is, it's too late to get those 408 FBI background files back in the toothpaste tube. More to the point, his appointment only raises the question why someone like him was not appointed in the first place—if the Clinton administration really had no evil intentions.

And honorable as Director Freeh may be, his agency is too sullied by its part in the Privacy Act violation to carry out a credible investigation. It is troubling, indeed, to say this about yet another Clinton administration scandal, but if anything ever called for the appointment of an independent counsel, this does. Ms. Reno should not delay in seeking such an appointment. Anything else will look too much like setting the fox to guard the henhouse.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HOOSIER HERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCINTOSH] is recognized for 5 minutes.

Mr. MCINTOSH. Mr. Speaker, I rise today to give my report from Indiana.

Every weekend, my wife Ruthie and I travel the second district of Indiana. And so often, people share with me special stories about their friends and neighbors who make our community a better place. These individuals do things all on their own to make us proud.

Now, I like to call these individuals Hoosier heros. Hoosier heros because they reach out and lend a helping hand to those less fortunate.

Mr. Speaker, Brandon Scott Privett of Pendleton, IN, is a Hoosier hero. A Hoosier hero because he generously contributes his time and effort helping senior citizens. Brandon is a 12-year-old boy who moved from Florida to Pendleton—a small Indiana town last May. Brandon, along with his mother and brother, moved in with their grandmother, who is an active member of Pet-a-Pal volunteer program.

The Pet-a-Pal program is an organization that brings animals into the nursing homes, to help brighten the days for lonely seniors. Some 46 volunteers at Pet-a-Pal program bring pets to the nursing homes throughout Madison County. There they visit with the residents and form new friendships and special bonds.

Brandon started visiting a nursing home called the Rawlins House with his grandmother Greta Butts in May. He immediately befriended a gentleman resident of the nursing home, and continued to visit him and other residents daily.

Brandon also started helping the volunteers walk their dogs through the nursing homes and does anything that is asked of him. Brandon has made a special friend with one of the volunteers who is disabled in the use of his arms and has trouble caring for all of the animals himself.

He helps with the dogs and dresses them in their costumes to walk them up and down the halls for the residents to see—sort of a parade. Those who know Brandon will tell you so many good things about this young boy.

Jo Rehm, the Pet-a-Pal coordinator says she has never met a young man who had such an understanding and loving heart for senior citizens.

Brandon is an inspiration to all of us, and he and all of the volunteers in the Pet-a-Pal program are Hoosier Heroes, Hoosier Heroes because they make our communities a better place to live.

Mr. Speaker, that is my report for Indiana today, on July 20.

PET-A-PAL VOLUNTEERS

Deb Arnold, Pam Bennett, Sally Bilyeu, Lisette and Steve Brenner, Bob and Mary Bridgewater, Howard Wile, Carol Loughridge, Terri Towner, Anna May Davis, Sally Wilding, Charlie Grinnell, Sheri Hineman, Roxanne and Argyl Meeker, and Brandon Privett.

Eulala Roettger, Charlie Safford, Dottie Smith, Carrie Smith, Dawn Truex, Nancy Clement, Lee Ann Wallen, Julie Cox, Meg Spangler, Mary Lou Griffey, Esther Gray, John Coulter, Ron Miller, and Mark Reeves.

Betty Bryan, Betty Wainscott, Greta Butts, Sandy Warden, Amy Burton, Avis Witt, Ingrid and Mark Childs, Debbie Swanson, Rick Garrett, Jo Rehm, Kathleen Buck, Jennifer Kokos, Charles and Marsha Ostler, and Bid Pike.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

[Mrs. COLLINS of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

HEALTH CARE SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HASTERT] is recognized for 5 minutes.

Mr. HASTERT. I have to take a few minutes today to just talk to the House and its membership about an important issue coming before this body. It is called health care security.

It is about people being able to move from job to job, whether they are in group health insurance in one job and moved to group health insurance in another job, or they move from group insurance to individual insurance. If you happen to have, or a member of your family has, a preexisting condition, say, a heart situation or some type of long-term illness, you will not be denied health care.

Now, that legislation has passed this House and it has passed the Senate, and it is time to go to conference, the principals in the other body and the principals in this House, and talk about a way to fashion this bill so that it will gain the support of the President and the signature of the President, and will become law.

The American people want health care security, they want portability. They also want availability in health care and they want affordability in health care. It is something that we have addressed in this piece of legislation. People who are self-employed, they may be truck drivers in my district or barbers or beauticians or farmers or real estate agents or insurance agents even. They would like to be given the same break that big business gets, the same break that if they go out and buy health care for themselves and their family, they can deduct the cost of that health care insurance from their income tax.

If they are beyond just self-employed, if they are a small business, they would like to be able to offer health care insurance to their employees that is actually affordable.

The bill that we have passed through the House and the bill that has passed through the Senate basically does that also. It changes how individual insurance is offered. The House provision has a provision for medical savings accounts. Medical savings accounts are something that many companies offer today; as a matter of fact, there are 17 States across this Nation, including my home State of Illinois, that offer medical savings accounts so that people can choose the health care providers that they want.

□ 1815

They also have an opportunity to make their individual choices. They also have an opportunity to shop the market.

Today in health care, if you have an insurance policy, we always say that there is a third party payer. When you go to the doctor's office and the doctor says, you need X, Y, or Z treatment, if you ask the doctor how much does that

treatment cost, he will say, do not worry about it. Your insurance will cover it.

My colleagues, your insurance may cover it, but you never see the bill. You do not know how much you are being charged by the doctor, the hospital, the health care provider. We think the American public ought to be able to enter into that contract, if you will. We think that they ought to be able to deal not only with the provider, the doctor or the health care provider that has offered the service, we think that you can look them in the eye and ask the price and find out what kind of value you are getting for your insurance dollar.

The way to do that is to let people choose medical savings accounts. A medical savings accounts, what happens, if the average cost of an insurance policy in this country, which it is, is $4,500, if you live in Keokuk, IA, it might be a little less than that. If you live in Long Island, NY, it might be a little bit more than that, but the average cost is $4,500. For about $2,200, you can get a $2,000 deductible health care policy, $2,000 deductible, what we call a catastrophic policy. The balance of that amount will go into a medical savings account.

Now, a medical savings account is like what we would call an IRA or we could call it a medical IRA. In that situation your dollars go into your savings account. The first $2,000 or $2,100 or $2,200, depending on the policy that you buy, will be paid by you. You choose the doctor. You choose it, and if you do not spend it, you get to keep it. That is the deal that the American people want. They want health care security. They want health care affordability, and they want health care availability. It is time to not be blocked by the Senate. It is time that we go to conference and get this job done.

The SPEAKER pro tempore (Mr. MCINTOSH). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MANZULLO] is recognized for 5 minutes.

[Mr. MANZULLO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

PERSONAL EXPLANATION

Mr. FRANKS of Connecticut. Mr. Speaker, I missed the first three votes yesterday due to my attending my daughter's graduation from preschool. I congratulate Jessica Lynn, and I thank the Bunker Hill Nursery School for doing such an outstanding job.

Had I been present, I would have voted yea on rollcall votes 249 and 250, and I would have voted no on rollcall vote 251.

I ask that my remarks be included in the appropriate place in the RECORD.

HOWARD TINNEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. FRANKS] is recognized for 5 minutes.

Mr. FRANKS of Connecticut. Mr. Speaker, last Friday night I attended a testimonial in honor of former alderman and police commissioner Howard Tinney of Ansonia, CT. Mr. Tinney has had some medical problems of late and the 400-plus people in attendance at the Rapp's Restaurant wanted to honor him for all the good work he has done for the city of Ansonia and for the State of Connecticut.

As a black Republican for three decades, Howard Tinney has been a political inspiration for many of us, myself included. We actually have a lot in common beyond being black Republicans. We both have grown up in the same city which we live in today. We both have beautiful wives, Donna for myself and Esther for Mr. Tinney. We both have three children. We both have lovely mothers that are alive and well. We both served on the board of directors of our local YMCA's. And we were both all-star athletes, though he was far better than I had ever hoped to be.

We were both the first black Republicans to have been elected to the board of aldermen in our respective cities. Howard served as a police commissioner, and I served as a fire commissioner.

Howard Tinney, however, accomplished his feats more than 10 years before I even got involved in politics. Howard Tinney was a trailblazer. He made it easier for people like myself.

Yes, Mr. Speaker, Howard Tinney has been an outstanding parent, husband, role model, and community leader. We have been blessed to have had the good fortune to have been able to have worked, played, cried, and laughed with a man of Howard's caliber. May God continue to bless you and your family, Howard Tinney.

MEDICAL SAVINGS ACCOUNTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Washington [Mr. MCDERMOTT] is recognized for 60 minutes as the designee of the minority leader.

Mr. MCDERMOTT. Mr. Speaker, my colleague from Illinois, Mr. HASTERT, has talked recently, very briefly, about the fact that there is a health reform act which is before the Congress and which I think in this instance we both agree is important. It has provisions which allow people to take their insurance from one place of employment to another, that is portability. It prohibits the use of preexisting conditions to bar people from insurance, but unfortunately it is probably not going to pass the House of Representatives; and it is about that issue that I would like to talk.

The Republican health care bill contains provisions granting substantial tax incentives for medical savings accounts. Despite the fact that there is no public clamor for them, Republicans are obsessed with medical savings accounts.

Now, the Republicans in the House want us to believe that MSA's are the way to expand patient choice and to control health care costs, when in my opinion nothing could be further from the truth. The only things that are known for sure about MSA's is that they will provide lavish tax breaks for the healthiest and wealthiest in our society and that this will cause the cost of health care insurance to increase, making it more difficult and less affordable for employers to offer adequate health insurance.

I want to start at the beginning, because we talk about MSA's. I am not sure how many Members of the House, how many members of the general public really understand what the proposal really amounts to. MSA's are nothing more than tax-favored savings accounts for health care expenses, coupled with a high deductible health insurance policy. Under the MSA proposal which the House Republicans have advanced, health insurance for qualified employers either directly or through their employers are allowed to contribute yearly tax-exempt amounts to an MSA, a medical savings account, up to a specific ceiling. The ceilings in the House bill are $2,000 for an individual and $4,000 for a family.

The first question every American has to ask themselves is, do I have $4,000 that I can put into this medical savings account, money out of my pocket that I am going to put into that savings account. To be qualified to have an MSA, all a taxpayer needs to have beyond that money is to have coverage through a high deductible insurance plan.

This way people could use their money in the MSA. They have the high deductible. If they spend up to $10,000 or up to $3,000, whatever the deductibility is, then they would be covered by the insurance. But the first $3,000 or first $10,000, whatever that deductible is, is the responsibility of the individual patient. They have to come up with it.

They had this medical savings account that they can put up to $4,000 in. And when they have medical expenses, they can take that money out and pay the medical expenses toward the deductible which would get up to $3,000.

The problem with this latest insurance fad is that MSAs will do two things. They will destroy the health insurance market as it currently exists, and they will be an immense drain on the Federal Treasury during a time

when Congress is supposed to be focused on reducing the national debt.

First, I want to talk about what MSA's are going to do to the current health insurance market and the premiums of those people who are covered by traditional health insurance. The general principle of health insurance is to spread the health care expenses across large groups of people to protect each of us from being bankrupted by unanticipated health care costs. Under today's insurance system, the premiums of younger and healthier workers subsidize the higher health care spending of less healthy, middle aged and older workers.

This is a continuous subsidy cycle. We have been doing it for years in this country. The last 50 years with our health insurance, the younger workers have put in, the older workers have used more of it. The younger workers of today will someday be relying on the workers who follow them to continue that process.

MSA's destroy that traditional concept of insurance by enabling millions of younger healthy people to opt out of this inadvisable subsidy.

With the availability of MSA's younger healthy workers could opt out of the main insurance pool by choosing to take the cheaper catastrophic coverage and keep the unused cash in that MSA as a tax-free savings to be withdrawn at a later date.

A study by the Urban Institute estimates that, if just 20 percent of workers switch to MAS's, the premium cost for the those workers who want to keep their present low deductible health insurance, if you have a policy today with a $200 deductible or $300 deductible, that is a low deductible. If you want to keep that and 20 percent of the policy holders go into MSA's, the cost of insurance would rise by 60 percent for those people who stay in traditional coverage.

Now, what happens then? Well, it is obvious. Some individuals may no longer be able to afford traditional health insurance and businesses will have two choices: either abandon the low cost, low deductible policy or lower their workers' salaries to pay for it.

I brought a couple charts here because it is easy or it is easier to sometimes work with a chart. I want to talk about employer A and employer B. Employer A is a situation that does not exist. You have five employees, one, two, three, four, five, and they all have the same medical experience last year; they each cost $3,000 in health care bills. Total cost, $15,000.

The employer who is buying their policy is spending $16,000 to cover them for their health insurance at an average cost of $3,200 per patient or per employee.

This is a hypotentical. There is no company where everybody in the company spends the same amount. What is more real is employer B. Nice, young, strong person, no problems, did not spend a dime last year. Next person had a throat infection, had a X-ray, had some penicillin, spent $600.

□ 1830

Next person broke their arm. It costs them $1,000. The third person had a complicated pregnancy, and that cost $4,000 in health expenditures, and the last person in the employment had cancer and spent $9,000.

Now if you add those figures up, you come to the same $15,000.

Now the employer is paying $16,000 for the insurance. It is an average of $3,200 per year. Obviously, the young person's insurance is subsidizing the person who got cancer or the person who had a pregnancy that was complicated or the person that had diabetes or the person that had anyone of a number of things. These people who spent very little are actually subsidizing the other people. That is the idea of insurance.

We have the same idea with fire insurance. We all pay property taxes, we put the money into the treasury, they fire firemen, they buy fire engines, they build fire stations, and we hope that our house never burns down. We do not want to spend one single dime on our house. We hope that we do not have a fire and have to have the fire trucks come and put out the fire and spend a lot of money.

The idea of insurance is that we do not know what is going to happen to us in life, and we pool our money to take are of those of us who require some kind of care. It is absolutely the way insurance has always worked.

Now, with this idea of a MSA, you can see that the person who has spent nothing last year—this person spent nothing last year, so they figure let me put this money that I have got into a medical savings account, it is tax free, and I am not going to need any of it, and some day I could use it tax free. It is tax-free money. It is great for a young person who is healthy and strong and does not figure anything is going to happen to him. The next person spent $600 last year; MSA sounds pretty good to them. They did not spend $3,200. So they go into the MSA, the third person goes into the MSA, and the employer is left only with two people to say:

Well, I want the old account, I want to cover my expenditures because we got this complicated pregnancy, and we got now a child with a birth defect, and we are not sure how much this is going to cost, it is going to be a big expenditure, we do not want to be stuck with having to come up with $3,000 or $5,000 or $10,000 a year in that high-cost deductible insurance, we want the present plan.

The person with cancer the same way. They say:

Hey, look. I have got a big problem. I do not know how this is going to turn out. But I cannot go with—I know this medical savings account; I am going to spend every dime in that thing, and I am going to wind up paying more money out of my pocket.

If those three people opt out of the pool, now the employer looks. He has got $13,400 to pay between these two people. He has to buy a policy for $14,000. For two people he is paying $7,000 apiece. And you say, well, what happened to these people here? Well, let me show you what the problem with this whole proposal is.

The employer was spending $3,200 on each one of his employees, and he could, if he is the best—this is the best says scenario—if it was the best employer in the world, he would say, well, I spent $3,200 on him one way, I will spend $3,200 on him this way. A high-cost deductible insurance policy with a $3,000 deductible; in other words you, the individual, are responsible for the first $3,000 out of your pocket; that kind of policy costs $2,000 a year. So the employer says:

Well, I will buy one of those for everybody. That will cost me $10,000, $2,000 for each one of my employees. Now, I still got $1,200, and I will put that $1,200 into their medical savings account.

So now this person says, well, I can put up to $2,000. If I got more money in my pocket, I will put it in there. If I do not have more money, I will try and live off that $1,200 that my boss put in there, and that boss would spend—in effect, he would spend $16,000 just as he spent before. He spends exactly the same amount.

Now, why would an employer offer this to an employee? Well, there is no reason to. It is going to cost him the same whether he offers standard insurance as we know it today, with a risk pool with everybody in it, or offering these MSA's. And the gentleman from Illinois [Mr. HASTERT] was correct. It is possible for employers to offer MSA's today.

Now let us look at why in a worst-case scenario an employer might think it was a good idea to offer a MSA. He has $3,200, and he says to himself, well, I am going to buy him that deductible, that $3,000 deductible, high-deductible plan, that catastrophic insurance. So $2,000 apiece for five of them is $10,000. And then he says, why should I put anything in their medical savings account? Nothing in the House proposal from the Republicans requires him to put in anything; nothing in there, absolutely nothing.

So the person who once had a policy that covered everything and had a $200 deductible now has a $3,000 deductible and has to reach into his own pocket for his family and put his own $4,000 in here. The employer who offers this program, this high-deductible plan, is saving $6,000 a year simply by saying:

Hey, I will buy everybody a high-deductible plan, and then you can open a medical savings account, and you will then be stuck for everything up to and including that $3,000.

Now, if you think about this, you can begin to see why people wonder where this is all going to come out. MSA's are very bad health policy. The extremely

high-deductible insurance coverage associated with MSA's of at least $1,500 for an individual and $3,000 for a family will encourage some patients to delay the necessary care and ignore preventive measures. If you put money in a MSA, it is tax free up there, and you say, well, if I spend it, it is my own money; I do not think I will go to the doctor.

Now, if you have high blood pressure and you should go to a followup visit to the doctor, you say, well, I do not think I am going to go. So you wind up having a stroke because you did not control your high blood pressure, and at that point you spend $3,000 in deductible plus whatever beyond that under this high-deductible plan. It is bad health care; not only fiscal policy, but bad health care.

Now, the opponents of MSA's believe that this will lead to unnecessary acute care and higher overall costs because people do not do prevention because they are trying to keep that money in that account, they do not want to go to the doctor, they can stay away, and they are not going to get prevention at all. In addition, between the amount of money an individual has in their MSA and the level at which the catastrophic policy kicks in could yield tremendous financial difficulties for many unsuspecting families and individuals.

If you take this first person—you remember this young person who did not spend any money last year—young people tend to think they are never going to get sick. I got a couple of kids. They think they are going to live forever without trouble, but I got one who is a skier. If you get in a skiing accident, break your leg, and it costs you 10 grand, you suddenly have gone from zero to 1 grand here with nothing in that account to cover it unless you have taken the money out of your own pocket and put it in there. All the deductibles are on you up to $10,000.

So, if you break your leg and it costs you $10,000 and you have nothing in your MSA, it is all out of your pocket. And people do not think in those terms, young people, so they would opt for this MSA, get hooked in, and suddenly wind up with a debt they never anticipated.

MSA's and high-deductible insurance policies that accompany them often can and will define the medical services differently, making it easy for some individuals to exhaust their money in that MSA on things like vision and dental care that are not counted toward the deductible on the high-deductible plan.

So you could have $4,000 in your MSA, spend it on all kinds of medical expenses and then have something bad happen to you and find out that you spent $4,000, but the deductible policy does not count any of that. So then you have to pay another $3,000 in deductible before you are eligible for your insurance plan. There is no connection between what you spend the money from your medical savings account on and what is accepted or counted by the insurance policy.

People will have to read the insurance policy when they spend money out of their MSA to see does this count against my deductible or does it not, and if you figure you are healthy and this is no problem, you are not worried about that.

But unfortunately, young people get leukemia, young people get Hodgkin's disease, young people have all kinds of things happen to them. In fact, middle-aged people who are in good health—you know, as 45 you are going like a bandit, and all of a sudden something comes, the heart attack, and suddenly you go from being healthy and strong and running a marathon and whatever and winding up in a hospital needing coronary bypass surgery which has cost you $30,000 or $40,000. Suddenly things change dramatically, and you got to remember how much you got in there and how much you paid in your deductible.

The connection between those two is not there, and the Republicans are unwilling to write that in as a protection for the consumers, that if you spent this money, it counted against your deductible. They did not want to do that; they wanted to leave that vague so that the insurance companies over here with those high deductibles could define what was covered and what was not.

Now, if this happens to individuals, they could be faced with hundreds of thousands of dollars of unreimbursed medical costs for which they are simply unprepared.

To make matters worse, there is no requirement in this House proposal that employers deposit any money into these employers' MSA's. There is no requirement. People have to be very careful when their employer comes and says:

Hey, would you like an MSA? I am going to buy you a catastrophic plan and then you can put your money in this MSA. That will qualify you. I will buy you this so that will qualify for an MSA.

But there is no requirement they put a single dime in there, so all of the $4,000 for a family or the $2,000 for an individual is the responsibility of the employee. They could simply, the employer could simply, pocket the savings, which is what he does in this instance in the worst-case scenario.

Most health insurance policies today operate on the principle that the employer buys the policy for the employee and the employee is responsible for all the costs below the deductible that is the $200 or $300 and then any required copays. MSA's are an incentive for employers to offer no-insurance insurance because there is no limit on how high the deductible can be. There is nothing to stop an employer from offering his employees a health care plan with a $10,000 deductible.

I am a physician. The American Medical Society sent us out a proposal that is one of these high-deductible plans with a $10,000 limit. Now, maybe doctors can go for that; I mean, maybe they could, but how many of the rest of America could do that? And that is the issue that you have to be careful of in thinking about how great MSA's are. The employer is not required to put a single thin dime into the medical savings account. That is your responsibility. They may put some in if they are really good people, or they may say this is free money, I am putting it back in my pocket, you put it in, Mr. Employee. Now, even if the employer made contributions to his employees' MSA's, there is still a large coverage gap.

To compound that lack of coverage, under a high-deductible plan, once an employee meets the new higher deductible, there is no requirement in the House bill that the high-deductible policies be required to cover 100 percent of medical expenses.

□ 1845

So you have put your $4,000 into the MSA and you spend it and that pays your deductible; so now your insurance plan kicks in, at what, 70 percent of the cost, 80 percent of the cost? Who knows? The Republicans were not willing to demand that once you had spent this money on your medical savings account, that then the insurance had to cover 100 percent. They gave the insurance companies the latitude to say, well, we will cover you up to 80 percent.

So you have now spent $4,000 here, and then you come and your bill is $100,000. If you have a bone marrow transplant at the Hutchinson Cancer Center in Seattle, it will cost you $120,000. So you spend the $4,000. Now your deductible, that is covered, your $3,000 is covered, so then the plan coverage kicks in; $4,000 from $120,000 is $116,000, of which you are going to get 80 percent paid by the insurance company. You pick up 20 percent, or 30 percent, or whatever. There is no consumer protection on these catastrophic plans whatsoever.

The Republicans have based their arguments that MSAs will bring more economic efficiency to the health care market on the false premises, and my dear friend, the gentleman from Illinois [Mr. HASTERT] said it; he said that patients, individuals will have the tools they need, the ability to bargain shop for health care.

Maybe it is because I have been a physician and have seen what kinds of situations bring people into the health care system, but buying health care is not like shopping for groceries. You do not go in there kind of cool and say, shall I have this avocado or this avocado, or shall I buy this breakfast food or that breakfast food, or this steak or that steak, or this loaf of bread. When you are in the ambulance on the way to the hospital, you are in no condition to be shopping for how you are going to spend the money in your medical savings account or anything else that happens to you.

When their own money is at stake, some people might not rush to the doctor at the first sign of a cold, so health care spending can be reduced marginally. You can say, well, I am sniffling, I do not think I need to go to the doctor, because I would have to take it out of my medical savings account. You can make some marginal changes.

But the fact is, the indisputable fact about medical expenditures is that 70 percent of all health spending is done on 10 percent of Americans who are seriously sick. These Americans have heart attacks, AIDS, cancer, complicated pregnancies, liver disease, diabetes, whatever. Catastrophic insurance will cover their health care costs, so the MSA concept will have no impact whatsoever on 70 percent of the health care spending in this country, because most of the money, 70 percent, is on 10 percent. They blow the roof off the costs.

In addition to being an example of an extremely poor health care policy, because it does not encourage people for prevention or follow-up care, MSAs are really a thinly veiled scheme to provide lavish tax breaks for the wealthy. While the lower- and middle-class workers in this country who are worried about their wages, who are worried that their paycheck has not gone up significantly since 1970, they are getting the same amount of buying power today; in fact, less than they had in 1970. They could be hurt by the widespread use of MSAs, as I have already described, because the premiums will go up. If the young and healthy leave, the premiums for the rest of the folks are going to go up, but MSAs will benefit the wealthiest Americans who can afford to pay all of their medical expenses below the high deductibles for catastrophic health plans.

If you make $100,000 or $200,000 a year, $3,000 is not very much. Certainly it is a significant amount of money, but if you make $30,000 a year, which is around the average income, $35,000 in this country, $3,000, $4,000 for paying that deductible is 10 percent of your income. Three percent to somebody making $100,000 is 3 percent. That is the difference.

Wealthy people have a little extra in their pocket, and they can pay these deductibles. They have money to put in the MSA out of their own pocket. There is no doubt that the promise of these generous tax-sheltered personal savings will draw the healthy and wealthy individuals into MSAs. In fact, in my mind, it would be better to call the MSA ''medical sheltering accounts.''

MSAs offer a number of new tax sheltering opportunities that make it very attractive to people in higher income brackets. Some of these generous tax benefits include an exclusion from income for employer contributions; if your employer is paying for it, I do not have to pay the taxes as an individual; a personal deduction for independent contributions, so as an individual, if I am rich and can put it in, I get a deduction.

If you are making $35,000 you might want to put it in, but where are you going to get it? Between paying for rent and a car and buying food for your family and clothes and trying to help one of your kids go to community college, where are you going to get that $3,000? Where are you going to get that deduction for independent contributions? It also allows tax-free accumulation of interest, exclusion from estate taxes, and penalty-free withdrawals from the MSA's at 59½.

The reason this bill is here is to give these tax breaks. That is why it came though the Committee on Ways and Means. Companies can offer this kind of thing today. They can say, hey, look, let us get out of the regular insurance plan. I will buy you the high-cost deductible. I will put some money in the medical savings account for you. They can do it today, but they cannot get these tax breaks today.

This bill is a tax-break-for-the-rich bill. It is a medical sheltering account. Contributions to the MSA's are deductible tax purposes when made at the time you put them in, and the amounts in the account accumulate tax-free. If this year you put in $4,000, you do not spend it, next year you put in $4,000, it just keeps accumulating, and all the interest is tax-free. This is similar to the way tax benefits are provided for IRA's, the Individual Retirement Accounts, before the Congress limited the deductibility of IRA contributions.

What is interesting about this, it is under the guise of more affordable health care that Republicans are pushing MSA's, which do nothing for health care whatsoever. They destroy the insurance pool, they put people at risk who do not understand how it works, but they are a better sheltering device than individual retirement accounts, really, for the following reasons: IRA's merely provide deferral of your taxes on contributions, but MSA's provide complete tax forgiveness when the amount is used for medical expenses.

No. 2, the IRA provisions contain penalty taxes to force withdrawals after age 70 in order to prevent excess accumulations in IRAs. The MSA provisions do not include any penalties, so individuals could indefinitely accumulate monies in their accounts.

No. 3, wealthy individuals would have incentives to pay their medical expenses from other sources. Since they have $100,000 or $200,000, they put the $4,000 in there tax-free, why not pay the health care benefits out of something else, because making the payments out of the MSA would reduce the amount of assets receiving the favorable tax treatment. Put the $4,000 in there, forget about it, it goes up and continues to make money, and meanwhile you pay it from other monies that you have. A wealthy individual attempting to maximize their tax advantage would be likely to use other assets to pay their medical expenses.

The forth reason is that IRA's are subject to the estate tax. When you die, the government looks at your IRA's and says, we are going to tax a certain amount. MSA's are not. I really find it difficult to think what the rationale for that benefit is. How does exempting funds in an MSA from estate tax relate to encouraging tightly targeted purchase of health care? What is the relationship between exempting from estate tax when you are talking about health care costs?

There is clearly no connection except to give a break. There is no medical policy argument for excluding the MSA's from the estates of the holders of these MSA's. People do not need medical self-insurance reserves when they are dead, nor do their surviving spouses need their accumulated reserves free of tax. This estate tax treatment was not inadvertent. It did not just happen. It was elaborately thought out because of the phobia many Republicans have and small business owners have about estate or transfer taxes.

The estate tax affirmatively encourages rich people not to use that MSA for medical purposes by giving them roughly a 30 percent advantage for letting the money accumulate in that account. It becomes really an IRA. They are still going to pay their deductible over here out of their pocket, but this money is going to go up tax-free and can be drawn out tax-free. This provision undermines the credibility, in my opinion, of the whole MSA propoal.

All of thee new tax sheltering opportunities will result in a drain on our Federal Treasury at a time when the majority in this House says they want to balance the budget. The Joint Tax Committee, House and Senate Joint Tax Committee, controlled by the Republicans, both the House and Senate, says that MSA's will drain the Federal Treasury of more than $2 billion over the next 7 years as the increased savings by the wealthy are placed in MSAs and are therefore sheltered from Federal taxation.

What is worse, the Republicans plan to pay for the budget shortfall caused by the MSA's by taking billions of dollars out of Medicare. Here we are, back to our old friend. We have been saying all along that they want to cut $270 billion out of Medicare to pay for their tax breaks. Here is one of them. The MSA costs $2 billion, and it is coming out of the hides of the health care for senior citizens. That is another reason why this medical savings account is not a good idea for the American public.

Mr. Speaker, I find using Medicare as a piggybank to pay for those MSA tax schemes is particularly disingenuous, considering the fact that the Speaker and the Republicans continue to claim they want to save Medicare. They are taking money away from Medicare to pay for this kind of scheme.

I wash that the Speaker or somebody on the Republican side would come

down here and explain how taking money out of Medicare to pay for MSA's helps save Medicare, how taking money away from Medicare is going to make it better. I thought the problem was they were short of dough, and here they are taking another $2 billion out for this kind of scheme that really benefits a very small part of the society.

It seems very odd to me that by taking the billions from Medicare to pay for a tax shelter from which most Americans are priced out of, most Americans are not going to be able to put money in that medical savings account, but the Speaker and the Republicans are acting in the best interests, they say, of the American people and Medicare.

In addition to robbing Medicare, MSA's will clearly only appeal primarily to the wealthy. The Republican-controlled Joint Tax Committee, again, and this is not some lefty group way out there, or some liberal Democrat group that says this, this is a committee run by the Republicans. It is the Joint Tax Committee. It is one of the most conservative staffs in the whole Congress.

They estimate that MSA's will appeal to less than 1 percent of all the people in this country who make $30,000 or less a year, even though those families make up 50 percent of the country. One percent of half the country will be able to take advantage of this, because they do not have $4,000 laying around on the dining room table to put into an MSA. That is ridiculous. Anybody who would stand out here and seriously proclaim this is something that a lot of people can take advantage of simply has never had any kind of difficulties with money.

In contrast to the 1 percent below $30,000, 12 percent of those buying MSA's will have incomes over $100,000. Even though those kinds of people in this country only make up 5 percent of the taxpayers, they will have 12 percent of the benefit.

Mr. Speaker, all these statistics show that MSA's are biased toward the healthy, the ones who do not expect to ever have to use it, or the wealthy, because thousands of Americans do not have the thousands of dollars to put away each year, and cannot afford to incur the substantial out-of-pocket costs that would be created by this medical savings account and these high deductibility catastrophic plans.

□ 1900

On a final note, some consistency needs to be required of politicians. Both the chairman of the House Ways and Means Committee and the Republican majority leader have condemned the current tax structure. They have called for a flat tax: ''We have to get a flat tax. Let's get all these deductions, all these tax shelters, let's get all of that out. We'll charge everybody a flat 15 percent.'' I think the phrase the majority leader used was they want to tear out this present system by its roots so it will never come back. Yet when it comes to MSA's, they are willing to kill this bill that the Senate passed and the House passed by insisting on MSA's because they want to milk the current system in every way possible to benefit their wealthy constituents.

If our current tax system is replaced, many of the tax incentives that I just outlined under the MSA's will no longer exist. So 1 minute they are out here saying ''Let's rip out the system and have a flat tax'' and on the next day they are saying, ''We're not going to pass health care reform unless you stick MSA's in because it's got big benefits for our friends.''

The House leadership is holding up the enactment of the health care bill that Senators KASSEBAUM and KENNEDY put together, simply over this issue. The losses that will result from MSA's far exceed the gains. MSA's will drain the health insurance pool of the healthiest and wealthiest. It will cost the Government more than $2 billion at a time when we are supposed to be focusing on balancing the budget.

MSA's do nothing, absolutely nothing, to address the problems of affordable health care. Nothing. They are just another way to give a tax break to the wealthy. For the Speaker and the Republicans to threaten the passage of the Kennedy-Kassebaum health care bill by insisting on the inclusion of MSA's is wrong. It is poor leadership, it is bad politics and, worst of all, it is terrible public policy.

THE ADVANTAGES OF MEDICAL SAVINGS ACCOUNTS

The SPEAKER pro tempore (Mr. MCINTOSH). Under a previous order of the House, the gentleman from Iowa [Mr. GANSKE] is recognized for 5 minutes.

Mr. GANSKE. Mr. Speaker, I have been very interested in listening to the discussion by my colleague from Washington concerning medical savings accounts. My colleague is a physician and I am a physician prior to coming to Congress. I hold a different viewpoint about medical savings accounts and I think it is only fair to express some of the differences in our opinion.

One of the criticisms by the opposition to medical savings accounts is that they would be for the healthy and the wealthy. I think, quite to the contrary, medical savings accounts could function in exactly the opposite way. Let me tell my colleagues an anecdote.

A couple of weekends ago I was flying home from Washington to my hometown of Des Moines, IA. I was sitting next to a middle-aged gentleman who was asking about how the health care reform legislation was coming along. He asked me what I did for a living and I told him I was a Congressman. He said, ''Well, I am very interested in medical savings accounts. I really hope that medical savings accounts are part of the health insurance reform plan.''

I thought this was a little unusual, for somebody to be so specific about a piece of legislation. I said, ''Why are you interested in medical savings accounts?''

Mr. Speaker, he said: ''My wife and I have a 7-year-old boy. We live in Minnesota. We have a managed care plan for our health insurance.

''We are constantly having struggles providing care for our 7-year-old boy because he has severe cerebral palsy and he has a lot of special health care needs, and we find frequently that our managed care company does not allow us to get him the type of care that we think is important for him. He has a lot of special needs. We would like to take him to centers of excellence. We do not have that leeway.

''I will tell you, Congressman, if I had tax equitable treatment for medical savings accounts, I would switch into a medical savings account just like that, because if I had a medical savings account, this is how it would work. I could spend the same amount of money.

''Let us say I am spending $5,000 a year for my managed care plan. I could purchase a high deductible plan, say with a deductible of $2,500 or $3,000 a year, for about $2,500. I could then put the other $2,500 into a medical savings account. I would then draw those funds out of the medical savings account to pay the deductible during the year, so there would be effectively no out-of-pocket expense for me in comparison to the amount that I would be spending for a managed care plan. After I would hit the $2,500 of my deductible, I would then be into the catastrophic plan.''

My colleague mentioned how there could be deductibles and things like that in those catastrophic plans, and that is true. but most catastrophic plans function as major medical plans. That means that once they have met their deductible, all of their subsequent costs are covered.

''That would mean that if, for instance, our 7-year-old boy is getting too big now for my wife and I to lift all the time into and out of his bed, into the tub, we will need some special lifting equipment, we will need to purchase equipment for our van, we might want to take him to the Mayo Clinic for some cerebral palsy treatment, we would then run up expenses of $2,500. However, we would have that money in the account to pay that deductible, so there would be no disincentive for us to provide the type of treatment that we need to provide for him.''

This has been one of the other, I think, myths about medical savings accounts; in other words, that people would avoid taking the type of prophylactic care that they need. But I will tell my colleagues what the advantage of this is, not just in terms of the freedom that it would allow people who have special health care needs, but it also basically addresses the issue of our rapidly rising health care costs in this

country because it then gets a connection back between the consumer and the payer.

Under traditional third-party coverage, basically we have always felt like, ''Well, gee, the insurance company is paying the bill,'' so there has been unbridled consumption. If a person has a medical savings account where they can pull the funds out of their medical savings account to pay their bills, they also will have an increased tendency to be a wise consumer.

So I tell various health care groups, physicians, for instance, that quite frankly they may find that they are in a very competitive situation now. In the past when the insurance company pays all of the bills, nobody tends to look at the bills. But if the payment is coming out of the medical savings account, people will tend to look at the bills, and this is why.

Let us say we have a provider on one side of the street who charges $25 for an office visit. On the other side of the street the family practitioner charges $30. If a person is in a traditional health plan, it does not make any difference to them because somebody else is paying the bill. But if they have a medical savings account, assuming the quality is equal, they are likely to go to the provider who charges $25 instead of $30 because they get to keep the $5 difference in your plan.

So there is an incentive now for people to become wise shoppers. There is an incentive for people not to over consume, but there is a mechanism for people to get the kind of medical care that they need because there is a way to pay for it. Even managed care plans in many cases today are moving to deductibles in their plans. There needs to be a mechanism to pay that deductible or we will have a problem with people not getting the kind of care that they want.

Mr. Speaker, I would just finish by saying there are a lot of misperceptions about medical savings accounts. They are not the total solution, but many people in this country today have medical savings account plans, over 1,000 companies in this country. They are saving dollars by it, the people who have the medical savings accounts are very happy with it, and quite frankly I think we would find many people with special health needs choosing medical savings accounts. I do not think they are just for the healthy and the wealthy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOUGHTON (at the request of Mr. ARMEY), for today after 3:30 p.m., on account of official business.

Mr. TAUZIN (at the request of Mr. ARMEY), for today, 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 Member (at the request of Mr. MCNULTY) to revise and extend her remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

(The following Member (at the request of Mr. MCNULTY) to revise and extend his remarks and include extraneous material:)

Mr. FRANKS of Connecticut, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GANSKE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCINTOSH) and to include extraneous matter:)

Mr. ZELIFF.
Mr. EHLERS.
Mr. DUNCAN, in three instances.
Mr. GALLEGLY.
Mr. GILMAN.
Mr. BARTON of Texas.
Mr. CUNNINGHAM.
Mr. HUNTER.
Mr. CLINGER.
Mr. ROBERTS.
Mr. TALENT.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Ms. WOOLSEY.
Mrs. MALONEY.
Mr. VISCLOSKY.
Mr. OBERSTAR.
Mr. DEUTSCH.
Mr. PAYNE of New Jersey.
Mr. HASTINGS.
Mr. LANTOS.
Mr. BARRETT of Wisconsin.
Ms. NORTON.
Mr. TORRICELLI.
Mr. FRANK of Massachusetts.
Mr. MARKEY.
Mr. LEVIN.
Mr. MENENDEZ.
Mr. UNDERWOOD.

(The following Member (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. SOLOMON.

A BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 3029. An act to designate the United States courthouse in Washington, District of Columbia, as the ''E. Barrett Prettyman United States Courthouse.''

ADJOURNMENT

Mr. GANSKE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until Monday, June 24, 1996, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3741. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Nectarines and Peaches Grown in California; Revision of Handling Requirements for Fresh Nectarines and Peaches [Docket No. FV95–916–4–FIR] received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3742. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Specialty Crops; Import Regulations; Peanut Import Regulations; Final Rule [Docket No. FV94–999–2FR] received June 19, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3743. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Japanese Beetle; Domestic Quarantine and Regulations [Docket No. 94–087–1] received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3744. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Anti-Deficiency Act—Air Force violation, case number 92–84, which totaled $22.2 million, occurred in the Headquarters, Space and Missile Systems Center at Los Angeles Air Force Base, CA, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

3745. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Anti-Deficiency Act—Air Force violation, case number 93–03, which totaled $34.9 million, occurred in the Headquarters of the Air Force Materiel Command at Wright-Patterson Air Force Base, OH, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

3746. A letter from the Under Secretary of Defense for Acquisition and Technology and the Director, Operational Test and Evaluation, transmitting the Secretary's certification that full-up, system-level live fire testing of the Amphibious Transport Dock Ship (LPD 17) would be unreasonably expensive and impractical, accordingly the applicability of full-up, system-level survivability tests for the LPD 17 has been waived, pursuant to 10 U.S.C. 2366; to the Committee on National Security.

3747. A letter from the Assistant Secretary for Occupational Safety and Health, Department of Labor, transmitting the Department's final rule—Consolidation of Repetitive Provisions; Technical Amendments (Occupational Safety and Health Administration) (RIN: 1218–AB53) received June 19, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

3748. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendments of Parts 22, 90, and 94 of the

Commission's Rules To Permit Routine Use of Signal Boosters [WT Docket No. 95–70] received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3749. A letter from the Director, Regulations Policy Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Tin-Coated Lead Foil Capsules for Wine Bottles; Correction (21 CFR part 189) [Docket No. 91N–0326} (RIN: 0910–AA06) received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3750. A letter from the Comptroller General of the United States, transmitting a list of all reports issued or released in May 1996, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform and Oversight.

3751. A letter from the Chairman, Federal Election Commission, transmitting a report of activities under the Freedom of Information Act for the calendar years 1994 and 1995, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

3752. A letter from the Public Printer, U.S. Government Printing Office, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3753. A letter from the Assistant Secretary for Indian Affairs, Department of the Interior, transmitting the Department's final rule—Indian Country Detention Facilities and Programs (Bureau of Indian Affairs) (RIN: 1076–AD77) received June 19, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3754. A letter from the Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Leases, Permits, and Easements (Bureau of Land Management) (43 CFR Part 2920) (RIN: 1004–AB51) received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3755. A letter from Program Management Officer, National Marine Fisheries Service, transmitting the National Marine Fisheries Service final rule—Magnuson Act Provisions; Consolidation and Update and Regulations; Collection-of-Information Approval [Docket No. 960315081–6160–02; I.D. 030596B] (RIN: 0648–A117)—received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3756. A letter from the Assistant Attorney General of the United States, transmitting the Department's report on settlements made for damages caused by investigative officers employed by the Federal Bureau of Investigation, the Drug Enforcement Administration, the U.S. Marshals Service, and the Immigration and Naturalization Service for calendar year 1995, pursuant to 31 U.S.C. 3724(b); to the Committee on the Judiciary.

3757. A letter from the Chairman, U.S. Sentencing Commission, transmitting the Commission's report entitled ''Sex Offenses Against Children,'' findings and recommendations regarding Federal penalties, pursuant to Public Law 104–71, section 6 (109 Stat. 774); to the Committee on the Judiciary.

3758. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to modify the project for flood damage reduction at the north branch of Chicago River, IL, pursuant to 31 U.S.C. 1110; to the Committee on Transportation and Infrastructure.

3759. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Miscellaneous Regulations Relating to Liquor, Subparts E and O (95R–039P) (RIN: 1512–AB44) received June 19, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3760. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Section 1274—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Revenue Ruling 96–34) received June 20, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3761. A letter from the Secretary of Commerce, transmitting the annual report of the National Technical Information Service [NTIS] for fiscal year 1995, pursuant to Public Law 100–519, section 212(f)(3) (102 Stat. 2596); jointly, to the Committees on Science and Commerce.

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. GILMAN (for himself, Mr. LANTOS, Mr. SOLOMON, Mr. COX, Mr. SPENCE, Mr. HYDE, Mr. SMITH of New Jersey, Mr. WOLF, Mr. ROYCE, Mr. BURTON of Indiana, and Ms. PELOSI):

H.R. 3684. A bill to prohibit the importation into the United States of goods produced, manufactured, or exported by the People's Liberation Army of China or any Chinese defense industrial trading company; to the Committee on Ways and Means.

By Mr. MARKEY:

H.R. 3685. A bill to require the Federal Trade Commission and the Federal Communications Commission to take action, as necessary, to protect consumer privacy in light of the convergence of communications technologies; to the Committee on Commerce.

By Mr. ABERCROMBIE (for himself, Mrs. MINK of Hawaii, Mr. FALEOMAVAEGA, Mr. UNDERWOOD, Mr. FRAZER, and Mr. MILLER of California):

H.R. 3686. A bill to amend the Nuclear Waste Policy Act of 1982 to prohibit the licensing of a permanent or interim nuclear waste storage facility outside the 50 States or the District of Columbia, and for other purposes; to the Committee on Commerce.

By Mr. BARR:

H.R. 3687. A bill to amend Title 5 of the United States Code to provide a civil remedy for the request or receipt of protected records for a nonroutine use by any person within the Executive Offices of the President, and for other purposes; to the Committee on Government Reform and Oversight, 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. CONDIT:

H.R. 3688. A bill to require that 401(k)-type pension plans be subject to the same prohibited transaction rules that apply to traditional defined benefit pension plans; to the Committee on Economic and Educational Opportunities.

By Mr. HAMILTON (for himself, Mr. SHAW, Mr. LANTOS, Mr. ACKERMAN, Mr. JOHNSTON of Florida, Mr. FALEOMAVAEGA, Mr. WYNN, Mr. MORAN, and Mr. FRAZER):

H.R. 3689. A bill to amend the international narcotics control program under the Foreign Assistance Act of 1961 to establish an additional certification standard for certain illicit drug producing countries and drug-transit countries and to establish an additional reporting requirement under that program; to the Committee on International Relations.

By Mr. HUNTER (for himself, Mr. CUNNINGHAM, Mr. PACKARD, Mr. YOUNG of Alaska, Mr. MCKEON, Mr. BARTLETT of Maryland, Mr. RIGGS, and Mr. COX):

H.R. 3690. A bill to limit the types of commercial nonpostal services which may be offered by the U.S. Postal Service; to the Committee on Government Reform and Oversight.

By Mr. JOHNSON of South Dakota:

H.R. 3691. A bill to provide for the establishment of a Prescription Drug Price Review Board to identify excessive drug prices, and for other purposes; to the Committee on Commerce.

By Mr. JONES:

H.R. 3692. A bill to promote the restoration, conservation, and enhancement of wetlands through the establishment of a responsible wetlands mitigation banking program; to the Committee on Transportation and Infrastructure.

By Mrs. LOWEY (for herself, Mr. GILMAN, and Mr. SHAYS):

H.R. 3693. A bill to amend the Internal Revenue Code of 1986 to allow a capital loss deduction with respect to the sale or exchange of a principal residence; to the Committee on Ways and Means.

By Mr. NADLER:

H.R. 3694. A bill to prohibit insurers from offering monetary rewards, penalties, or inducements to licensed health care practitioners' on the basis of the health care practitioners' decisions to limit the availability of appropriate medical tests, services, or treatments; to the Committee on Commerce.

H.R. 3695. A bill to prohibit insurers from including provisions in health plans and contracts with health care providers to indemnify the insurer against any liability; to the Committee on Commerce.

By Mr. PAXON (for himself, Mr. FRISA, Ms. MOLINARI, Mr. KING, Mr. SOLOMON, Mr. WALSH, Mrs. MEYERS of Kansas, Mr. BASS, Mr. HOUGHTON, and Mr. SAM JOHNSON):

H.R. 3696. A bill to amend the Social Security Act to require the Secretary of Health and Human Services to approve or deny on a timely basis an application for a waiver for certain AFDC and Medicaid demonstration projects; 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. ROBERTS (for himself, Mr. EMERSON, Mr. BRYANT of Tennessee, and Mr. CONDIT):

H.R. 3697. A bill to exempt from the regulation E requirements, State administration of the Food Stamp Program through electronic benefit transfer systems that provide for distribution of means-tested benefits; to the Committee on Agriculture.

By Mr. SCHUMER (by request):

H.R. 3698. A bill to reduce violent crime by juvenile offenders; to the Committee on the Judiciary, and in addition to the Committees on Commerce, 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. STEARNS (for himself, Mr. MICA, and Mr. CANADY):

H.R. 3699. A bill to establish a demonstration project to authorize certain covered beneficiaries under the military health care system—including the dependents of active

duty military personnel and retired members and their dependents—to enroll in the Federal employees health benefits program and to ensure their future health security through the use of medical savings accounts; to the Committee on National Security, and in addition to the Committees on Government Reform and Oversight, 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. WHITE (for himself, Mr. THOMAS, Ms. DUNN of Washington, Ms. PRYCE, and Mr. ROHRABACHER):

H.R. 3700. A bill to amend the Federal Election Campaign Act of 1971 to permit interactive computer services to provide their facilities free of charge to candidates for Federal offices for the purpose of disseminating campaign information and enhancing public debate; to the Committee on House Oversight.

By Mr. GILMAN (for himself, Mr. FILNER, Mr. STUMP, Mr. MONTGOMERY, Mr. SOLOMON, Mr. DORNAN, Mr. CAMPBELL, Mr. BILBRAY, Mr. FLANAGAN, Mr. TALENT, Ms. PELOSI, Mr. ABERCROMBIE, Mrs. MINK of Hawaii, Mr. EVANS, Mr. MILLER of California, and Mr. GUTIERREZ):

H. Con. Res. 191. Concurrent resolution to recognize and honor the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II; to the Committee on International Relations.

By Mr. BOEHNER:

H. Res. 457. Resolution to amend the Rules of the House of Representatives to prohibit the knowing solicitation, distribution, or acceptance of campaign contributions in the Hall of the House or rooms leading thereto; to the Committee on Rules.

By Ms. NORTON (for herself, Mr. DAVIS, Mr. LATOURETTE, and Mr. MORAN):

H. Res. 458. Resolution expressing the sense of the House of Representatives that the President should request the Department of the Treasury and the Secret Service to work with the Government of the District of Columbia to develop a plan for the permanent reopening to vehicular traffic of Pennsylvania Avenue in front of the White House in order to restore the avenue to its original state and return it to the people; to the Committee on Government Reform and Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII private bills and resolutions were introduced and severally referred as follows:

Mr. DEUTSCH introduced a bill (H.R. 3701) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for each of four vessels; 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. 783: Mr. CHAPMAN.
H.R. 1050: Mr. FATTAH.
H.R. 1073: Mr. CASTLE and Mr. BERMAN.
H.R. 1074: Mr. DURBIN, Mr. RUSH, and Mr. BERMAN.
H.R. 1226: Mr. GOODLATTE.
H.R. 1386: Mr. DOOLEY and Mr. SKEEN.
H.R. 1462: Mr. RUSH, Mr. CONYERS, Mr. LIPINSKI, Mr. STEARNS, Mr. FRANKS of New Jersey, Ms. GREENE of Utah, Mr. OXLEY, Mr. DELAY, Mr. FLAKE, and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 1893: Mr. CASTLE.
H.R. 2089: Mr. BURR and Mr. BRYANT of Tennessee.
H.R. 2320: Mr. EVANS, Mr. WATTS of Oklahoma, and Mr. POMBO.
H.R. 2391: Mrs. JOHNSON of Connecticut, Mrs. FOWLER, Ms. DUNN of Washington, Ms. MOLINARI, and Mr. PAXON.
H.R. 2400: Mr. MORAN, Mr. NEY, and Mr. JACOBS.
H.R. 2462: Mr. CAMP.
H.R. 2757: Mr. DURBIN and Mr. DEFAZIO.
H.R. 2807: Mr. MCHALE.
H.R. 2820: Mr. NETHERCUTT.
H.R. 2892: Mr. DEFAZIO.
H.R. 2900: Mr. CREMEANS, Mr. BARTLETT of Maryland, and Mr. CHAMBLISS.
H.R. 2911: Mr. FRANKS of New Jersey.
H.R. 2925: Mr. FRISA and Mr. WATTS of Oklahoma.
H.R. 2976: Ms. PELOSI, Ms. ROYBAL-ALLARD, and Mr. SKEEN.
H.R. 3077: Mr. DEFAZIO, Mr. SAWYER, and Mr. BOEHLERT.
H.R. 3199: Mr. SISISKY, Mr. NEY, Mr. BAESLER, Mr. ROBERTS, Mr. LANTOS, Mr. PACKARD, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LIGHTFOOT, Mr. FRANKS of New Jersey, and Mr. BISHOP.
H.R. 3207: Mr. HINCHEY, Ms. WOOLSEY, Mr. FRELINGHUYSEN, Mr. HORN, Mr. ABERCROMBIE, Mr. PICKETT, Mr. CRAPO, Mr. RICHARDSON, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. FOLEY, Mr. MCINTOSH, Mr. ROEMER, Mr. DIAZ-BALART, and Ms. LOFGREN.
H.R. 3211: Mr. HERGER.
H.R. 3226: Mr. DURBIN.
H.R. 3310: Mr. KINGSTON and Mr. BONILLA.
H.R. 3337: Mr. PAYNE of Virginia, Mr. WALSH, Mr. CAMPBELL, Mr. BILBRAY, and Mr. DELLUMS.
H.R. 3338: Mrs. SEASTRAND, Mr. TRAFICANT, and Mr. BOEHLERT.
H.R. 3354: Mr. POMBO.
H.R. 3447: Mr. LEACH, Mrs. SMITH of Washington, and Mr. HAYWORTH.
H.R. 3455: Ms. NORTON, Ms. LOFGREN, Mr. DEUTSCH, Mrs. MORELLA, and Mr. COLEMAN.
H.R. 3468: Mr. MCCOLLUM.
H.R. 3480: Mr. GOODLATTE, Mr. EHLERS, Mr. RAMSTAD, Mr. MCINTOSH and Mr. JACOBS.
H.R. 3567: Mr. DICKEY.
H.R. 3580: Mr. TIAHRT, Mr. LINDER, Mr. WAMP, and Mr. BARTLETT of Maryland.
H.R. 3586: Mr. SOLOMON and Mr. STUMP.
H.R. 3587: Mr. LEACH, Ms. NORTON, Mr. LIPINSKI, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. EVANS, Mr. FLAKE, Mr. OWENS, and Mr. FILNER.
H.R. 3604: Mr. HAYWORTH and Mr. BARRETT of Wisconsin.
H.R. 3622: Mr. GIBBONS, Mr. COMBEST, Mr. BOEHNER, Mr. SMITH of Michigan, and Mr. HAMILTON.
H.R. 3629: Mrs. COLLINS of Illinois, Mr. KENNEDY of Massachusetts, Mr. ENGLISH of Pennsylvania, Mr. JACOBS, Ms. KAPTUR, Mr. STUPAK, Mr. GOSS, and Ms. NORTON.
H.R. 3680: Mr. CHAMBLISS and Mr. DORNAN.
H. Con. Res. 10: Mr. KLINK.
H. Con. Res. 22: Mr. DURBIN.
H. Con. Res. 184: Mr. BARRETT of Wisconsin, Mr. FRAZER, Ms. WOOLSEY, and Ms. SLAUGHTER.
H. Con. Res. 190: Mr. PAXON.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mrs. SMITH of Washington on House Resolution 373: Robert G. Torricelli and Charlie Rose.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3666

OFFERED BY: MR. HOSTETTLER

AMENDMENT NO. 54. Page 64, after line 4, insert the following new item:

ELIMINATION OF FUNDING FOR CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Each amount appropriated or otherwise made available by this title for ''Corporation for National and Community Service'' is hereby reduced to $0.

H.R. 3666

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 55 Page 95, after 21, insert the following new section:

SEC. 422. None of the funds made available in this Act may be used to provide assistance under section 8 of the United States Housing Act of 1937 when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the assistance will be used for tenant-based assistance in connection with the revitalization of severely distressed public housing; and

(2) the public housing agency to which such funds are to be provided—

(A) has a waiting list for public housing of not less than 6,000 families;

(B) has a jurisdiction for which the Secretary of Housing and Urban Development has determined (pursuant to section 203(e)(2)(A) of the Housing and Community Development Amendments of 1978 or otherwise) that there is not an adequate supply of habitable, affordable housing for low-income families using tenant-based assistance; and

(C) does not include, under its plan for revitalization of severely distressed public housing, replacement of some of the public housing dwelling units demolished with new units.

H.R. 3666

OFFERED BY: MR. KINGSTON

AMENDMENT NO. 56: Page 28, line 20, after ''$4,300,000,000'' insert ''(increased by $300,000,000).

Page 80, line 19, after ''$5,362,900,000'' insert ''(reduced by $150,000,000)''.

Page 81, line 8, after ''$5,662,100,000'' insert ''(reduced by $150,000,000)''.

H.R. 3666

OFFERED BY: MR. KINGSTON

AMENDMENT NO. 57: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used by any officer or employee of the Environmental Protection Agency to organize, plan, or disseminate information regarding any activity that is not directly related to governmental functions that such officers or employees are authorized or directed by law of perform.

H.R. 3666

OFFERED BY: MR. MARKEY

AMENDMENT NO. 58: Page 95, after line 21, insert:

SEC. 422. None of the funds made available to the Environmental Protection Agency under the heading ''HAZARDOUS SUBSTANCE SUPERFUND'' may be used to provide any reimbursement (except pursuant to section 122(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980) of response costs incurred by

any person when it is made known to the official having the authority to obligate such funds that such person has agreed to pay such costs under a judicially approved consent decree entered into before the enactment of this Act, and none of the funds made available under such heading may be used to pay any amount when it is made known to the official having the authority to obligate such funds that such amount represents a retroactive liability discount or similar reimbursement for response costs incurred by any person for liability under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 that is attributable to a status or activity of such person that existed or occurred prior to January 1, 1987.

H.R. 3666

OFFERED BY: MR. STUMP

AMENDMENT NO. 59: Page 95, after line 21, insert the following new section:

SEC. . The amount provided in title I for ''Veterans Health Administration—Medical care'' is hereby increased by, the amount provided in title I for ''Departmental Administration—General operating expenses'' is hereby increased by, and the total of the amounts of budget authority provided in this Act for payments not required by law for the fiscal year ending September 30, 1997 (other than any amount of budget authority provided in title I and any such amount provided in title III for the American Battle Monuments Commission, the Court of Veterans Appeals, or Cemeterial Expenses, Army), is hereby reduced by, $40,000,000, $17,000,000, and 0.40 percent, respectively.

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Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Rev. William B. Mann V, pastor, Our Savior's Way Lutheran Church in Ashburn, VA.

PRAYER

The guest Chaplain, Reverend William B. Mann, V, Pastor of Our Savior's Way Lutheran Church, Ashburn, VA, offered the following prayer:

Let us pray:

Ruler of all, we thank and praise You for this Nation which is our home. We thank and praise You for permitting this Nation to survive armed conflicts, cold wars, threats and rumors of war, and the uncertainties of this nuclear age.

We ask You to urge the leaders and the people of our Nation to pursue always the search for human freedoms. We ask You to bless with wisdom the lawmakers of our Nation, to regulate our Government that it will offer hope and freedom to all who swear allegiance to it.

Forgive us for our waste of natural resources, for the neglect of our own rights and the rights of others. Enable us to conduct ourselves honorably as citizens and to manage the affairs of Government sensibly. Permit this Nation to prosper and to fulfill Your purpose to the good of all. This we ask in the name of our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT, is recognized.

Mr. LOTT. Thank you, Mr. President. Good morning to you.

SCHEDULE

Mr. LOTT. Mr. President, we had announced last night the intention to have a vote at 9:15, but the amendments that were involved in that vote were agreed to and were accepted on a voice vote, so it was not necessary to have a recorded vote.

This morning, the Senate, though, will resume executive session to consider the nomination of Alan Greenspan to be Chairman of the Federal Reserve Board. Under the order, there will be 3 hours of debate on the nomination, with the vote to occur at 2 p.m. today. Following that vote, the Senate will dispose of the remaining Federal Reserve nominees.

Also today, the Senate will resume consideration of S. 1745, the Department of Defense authorization bill. We did make substantial progress on the bill yesterday, and I hope we can continue with amendments and short time agreements during today's session as well. We would like to complete action on the DOD bill this week if at all possible. We will continue working through the afternoon with votes until early evening.

We will recess or leave for the day in time for an event at the White House tonight, and then we will, after consultation with the Democratic leader, make some announcement later today about exactly what will happen on Friday. We will be in session, and we will have to assess where we are as to whether or not there will be votes at that time.

Mr. President, I yield the floor. Seeing no Senator seeking recognition at this point, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JEFFORDS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

NOMINATION OF ALAN GREENSPAN, OF NEW YORK, TO BE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to executive session to consider the nomination of Alan Greenspan, which the clerk will report.

The assistant legislative clerk read the nomination of Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System.

The Senate resumed consideration of the nomination.

The PRESIDING OFFICER. There are 3 hours of debate equally divided.

The minority leader is recognized.

Mr. DASCHLE. I thank the President, and I wish him good morning.

Mr. President, let me begin by commending the distinguished Senator from Iowa, Senator HARKIN, for demanding our careful consideration of the nomination of Alan Greenspan for another term as Chairman of the Federal Reserve Board. The Senate has the duty and the obligation to thoroughly review the record of any nominee to such a key post. No one has met that obligation more consequentially than has Senator HARKIN, or has made a greater contribution to this debate.

This debate over Federal Reserve policy, while seemingly distant to many Americans, actually affects the lives of every American family. It affects families trying to buy a house or to make a payment on one. It affects families trying to buy a new car, farm families trying to get a loan to put in next year's

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

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crop, small business people trying to get a loan to operate their businesses for yet another year. Even more fundamentally, it affects whether millions of Americans will have a job at all and whether those without jobs can find one.

In judging nominees for the Federal Reserve, their records are the most important factor to consider. Despite some reservations, I believe Mr. Greenspan's performance justifies his reconfirmation.

Congress has mandated that the Federal Reserve conduct its monetary policy to ''promote effectively the goals of maximum employment, stable prices and moderate long-term interest rates.'' We must judge Mr. Greenspan by how well he has fulfilled this mandate and, I must say, his record is mixed.

Back in 1990, under the direction of Chairman Greenspan, the Federal Reserve failed to act quickly enough in lowering interest rates when a recession hit in the summer of that year. Recently released transcripts show that as late as October, Mr. Greenspan still insisted there was no recession. The Fed's failure to understand and respond to the recession made it last longer and run deeper. That recession hit farmers and families in my own State of South Dakota especially hard.

Thankfully, the economy turned around in 1993, and it has remained strong and steady ever since, with inflation remaining under control. That sustained recovery grew out of the President's economic plan of that year, and that plan passed Congress, I remind all of our colleagues, without a single vote from the other side.

While Democrats in Congress and the President led the 1993 fight for the economic plan, Mr. Greenspan helped that plan realize success. He offered encouraging words during the plan's consideration, which helped it gain credibility in the financial markets.

Following its enactment, the Federal Reserve kept interest rates down for a while. As Mr. Greenspan noted later:

> The actions taken [in 1993] to reduce the federal budget deficit have been instrumental in creating the basis for declining inflation expectations and easing pressures on long term interest rates.

So the results speak for themselves. Since 1993, nearly 10 million jobs have been created. These are nearly eight times more private-sector jobs than were created during the entire Bush administration. These are not just any jobs: more than two-thirds of them are high-wage positions—the kinds of jobs you can raise a family on and plan for the future.

Along with jobs, the overall U.S. economy has grown steadily. Again, the Democrats' 1993 economic plan sparked a real turnaround. During the previous 4 years, economic growth averaged just 1.3 percent. But since 1993, the economy has grown by more than twice that rate, averaging more than 3.2 percent each year.

We have cut the deficit in half in the last 4 years. As many of us remember, the deficit stood at a whopping $290 billion in 1992. This year, we have cut the deficit to $130 billion, according to the Congressional Budget Office. Our plan created 4 consecutive years of deficit reduction for the first time since the 1940's.

It remains an open question whether Mr. Greenspan's more recent policies have raised interest rates too high again. Few people realize that in 1 year, from 1994 to 1995, Mr. Greenspan increased the Federal funds rate seven times. In fact, his actions helped to double interest rates over that period of time.

Here are the figures: In February 1994, the Federal funds rate was 3 percent; in February 1995, it doubled to 6 percent. Every homeowner, every farmer, probably most Americans, know what doubling interest rates can mean. Since that time, despite any indication that inflation was threatening to rise, the rate has dropped by only three-quarters of a point, to 5.25 percent.

Senators HARKIN and DORGAN have made a good case before the Senate that Mr. Greenspan has tended to place a higher priority on fighting inflation than creating jobs.

Mr. Greenspan needs to reconsider whether by lowering interest rates the economy could expand more quickly without triggering inflation. Indeed, a number of prominent business leaders and economists argue that unemployment, currently at 5.6 percent, could be pushed to as low as 5 percent without affecting inflation at all. Taking this step would generate an additional 600,000 jobs. This strikes me as a plausible and worthwhile goal which Mr. Greenspan and the entire Federal Reserve should take very seriously.

After all, jobs are a critical part of the Federal Reserve's mandate. Jobs also top the list of priorities for most American families. Jobs are certainly on the top of the list of every member of the Democratic caucus.

I am deeply concerned that many of our colleagues on the other side, led by the distinguished Senator from Florida, Senator MACK, and our former colleague, Senator Dole, have proposed dropping jobs as a Federal Reserve priority. The Federal Reserve generates perhaps the most important economic policy decisions of this country. To remove jobs from their mandate would prove devastating to American workers.

The Mack-Dole bill would limit the Fed to considering only inflation when making its decisions. It directs the Fed to ignore unemployment and focus solely on price stability. Imagine putting this question to a family sitting around a kitchen table: Do you think the most powerful economic institution in this country should be more or less concerned about creating jobs? You can bet the family would say, ''Focus more on jobs—more on jobs—not less.''

Clearly, one powerful group places a higher priority on controlling inflation than on promoting economic growth. Wealthy investors, wealthy bondholders are hurt far more by small increases in inflation than by increases in unemployment. They are the major constituency for an initiative of this kind. I believe the Fed should pay more attention to working families who are feeling a growing sense of economic insecurity in this country.

While the statistics I have outlined show a strong economy, when I go home I hear a lot of anxiety from farmers, small businesspeople, and families just trying to make a living wage. In fact, wages have stagnated for many middle-class working families. Every year it seems harder and harder just to make ends meet.

The simple fact is that if there is a crunch out there, it is the Fed's crunch.

We need a Federal Reserve to serve as an ally, not an opponent, in the fight for more high-wage jobs. If we really mean to raise living standards and fight for higher wages, the Federal Reserve should consider lowering interest rates now, this year, this month.

But monetary policy is only one part of economic policy. Democrats in Congress are promoting an agenda that goes even further to address the insecurities so many people rightly feel today.

We are fighting for paycheck security, starting with raising the minimum wage now.

We are committed to health security and to controlling health care costs that are eating up workers' compensation gains.

We are developing a legislative package to promote retirement security so that economic security can last a whole lifetime.

At the same time, we have a plan to balance the budget without damaging the economy and without hurting those who need help the most.

As Mr. Greenspan himself advocates, we must continue to invest in education, training, and technological development. The Democratic plan makes those investments in America's future.

On balance, Mr. Greenspan's successful partnership with us in the wake of the 1993 plan merits my support for his reconfirmation. As he himself has noted, the 1993 economic plan ''was an unquestioned factor in contributing to the improvement in economic activity that occurred thereafter.''

Still, he should take heed of the arguments made so effectively by Senators HARKIN and DORGAN that he needs to do more to promote economic growth. Our goal must be to extend the economic recovery to all Americans—not just the stock and bondholders of Wall Street, but the families and the shops on Main Street.

Essentially, the record of the past 4 years shows that we have created economic growth and jobs. I can support

Mr. Greenspan's nomination, but with the caveat that jobs should remain as one of the Fed's top priorities. The hard-working people of this country deserve an agenda that continues to raise their standard of living. That ought to be the responsibility not only of the Congress, but of the Federal Reserve Board as well. I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. One of the things that mystified me in regard to the work that we have done——

The PRESIDING OFFICER. I am sorry to interrupt you. The Senator from Iowa controls the time.

Mr. HARKIN. I yield whatever time he may consume to the Senator from Nevada.

Mr. REID. I thank Senator HARKIN.

One of the things that has mystified me during the work I have been involved in and the study by the General Accounting Office has been the lack of attention by the press and others about what we have found through the General Accounting Office regarding how the Fed is run.

Senator HARKIN, Senator DORGAN, and others, have talked a lot about monetary policy. I respect them and join with them in those statements.

But what I want to talk about today again for a few minutes is what the General Accounting Office found in their study of the Fed. Mr. President, if I were on the Senate floor talking about one of the Federal agencies having overspent their budget, there would be cries for an investigation.

Let us take a closer look. If you really look at what the Fed has done, it is not just a question of overspending their budget, it is a question of their spending being uncontrolled.

For example, within the Fed itself you are reimbursed for travel in many different ways. Unlimited travel expenses are reimbursed. You have a foyer going from a few thousand square feet to 20,000 square feet. That is just the entry room to one of their buildings. There is nothing in it except marble.

The General Accounting Office only peeked at their perks. But what they did find when they took a peek is that, for example, in the Fed system you can get a security system. You know, their vice presidents have them, vice chairmen have them. They have security systems for reasons I do not understand. Some of them have door-to-door travel.

We do not, I indicate again, Mr. President, know exactly what they have. A preliminary report that was issued by the General Accounting Office, their final report, only confirmed further what is going on at the Fed, but nobody seems to care. If this were an agency of the Federal Government or State government, people would be raising their hands.

One of the big things they are looking at now on the House side—it has not hit here yet; I assume it will—is whether Members of Congress, when they go to receptions, sit down and eat a sandwich. If they do, it is a violation of the rules. If they stand, it is OK. If you sit, it is not. That is what we are looking at here. With the Fed, they can do whatever they want to do. It is not a question of sitting or standing. They can do just about anything they want to do.

The Fed operating costs have grown considerably: 50 percent between 1988 and 1994. Salary costs increased 44 percent, travel costs increased 66 percent during that same period of time, but nobody seems to care.

This is an organization that has no oversight. This is an organization that does not have an annual audit. This is an organization that keeps $3.7 billion in a trust fund, a slush fund. They call it a rainy day fund. Why? They said, ''We might need it sometime.'' In 79 years, they have never needed it. The $3.7 billion should be returned to the Federal Treasury. They still have the $3.7 billion. No one seems to much care that they have the money stashed away.

We are going to begin markup of this year's appropriation bills over in the Senate. We are going to get our allocation and then look at military construction and then the defense spending bill, maybe foreign operations. We are going to be fighting for dollars just for little projects. I have a project for $55,000, but we will have trouble funding it. It is extremely essential to saving a lake in Nevada, extremely important to an Indian tribe in Nevada. We probably cannot get that money. Yet, the Fed has $3.7 billion there for no purpose, and nobody seems to care.

The final report of the General Accounting Office, Mr. President, was issued yesterday. ''The Federal Reserve System: Current and Future Challenges Require Systemwide Attention.'' They are not going to have any ''systemwide attention'' because Members of this body do not seem to care about what is going on at the Fed. This final report issued yesterday confirmed everything found in the preliminary report.

The real news here, in my opinion, is the Fed's unwillingness to accept any of the recommendations made by the independent study. The report demonstrates the absolute arrogance of a tremendously powerful entity that believes it is unaccountable to mere taxpayers. It has every reason to believe that it is unaccountable, because it is.

The Fed has chosen to reject these recommendations. That is their prerogative. We, as a legislative body, have let them get away with it. It is really just a rejection of taxpayer requests, that is all.

The Fed may think they need not bother themselves with these requests from the taxpayer for greater efficiency, and it appears maybe they are right. It is obvious that those of us who believe this nomination should not go forward, we are going to lose, but we are gaining ground. We are going to get more votes than last time. I know that, because I am one of the people that is going to join those who feel that the Fed needs some direction change.

We are not going to go away quietly. We are going to say our piece here today, and then we are going to come back in the weeks ahead with legislation. We are not going to wait until the next nomination process comes through. We are going to go through with the legislation, and we are going to continue.

We are going to call for an annual audit. We are going to call for some of the things that the General Accounting Office thinks should be done. We are going to keep talking about this until the American public gives other Members of this body and the other body the backbone to go forward and do something.

Taxpayers, and I believe this Congress, should no longer tolerate the inefficiency, the mismanagement, and questionable accounting procedures of the Fed. I repeat: inefficiency, mismanagement, and questionable accounting procedures.

Greenspan and the Fed have an unlimited budget. They can spend money however they want. There is no oversight, no investigations, no audits. Budgets can be exceeded within house. What difference does it make? They control the money.

We have heard numerous times that the Fed has said, ''We will put the brakes on the economy.'' I think we should put the brakes on the Fed. That would be the better way to approach this.

Also, the General Accounting Office talks about conflicts of interest, talks about how they let contracts. I repeat, if this were done in the private sector or in another agency of Government, it would be scandalous. But the Fed just does it and turns their head the other way and goes on with their business.

The report raises the legitimate questions about fiscal management within the Fed. Important questions need to be answered, and they have not been answered. They have been requested, but they simply do not answer them, just like they did not answer most of the questions that the General Accounting Office presented.

This report is about ensuring greater accountability to the American taxpayer and improving fiscal responsibility. The Fed has pocketed $3.7 billion in taxpayer money. It claims this quietly held fund is necessary to cover systemwide losses that it has never had and never will have. In its 79-year history, the Fed has never operated at a loss. Excessive salaries increased by 44 percent; 120 top Fed officials earned more than the Chairman in 1994, increasing excessive expenditures; benefits increased by 89 percent since 1980 and were found to be more generous than any other Federal agency; travel expenses, I repeat, increased by 66 percent.

Board members travel in high style, to say the least. Travel reimbursement policies vary from bank to bank, and they are permitted to reimburse either on a per diem or actual costs basis. There is no conformity, no uniformity. A uniform travel reimbursement policy would unquestionably yield greater savings to the taxpayer.

Mr. President, as far as I am concerned, the most important thing is the need for an independent audit. To date, there has been no comprehensive audit of our central banking system. We need permanent annual independent audits. There is a double standard. This report demonstrates the double standard that is practiced by the Federal Reserve. While counseling others to decrease their spending, the Fed has increased theirs.

I conducted a meeting. Mr. Greenspan was there, and he was asked the question: What is the most important thing to do? Cut spending. I guess for every place except the Fed, because while we have cut and hacked away at these budgets coming through here, theirs has done everything but balloon up and fly away. They are bloated. They are gluttonous.

Congress heeded the advice of the Fed and took painful but necessary steps to get the deficit under control, but they did not. The Fed staffing grew, while the rest of the Government shrunk by 2 percent. We tightened our fiscal belts, and the Fed sat down to enjoy all you can eat, in response to the report, that ''we are not interested, we will run our own show, you leave us alone.''

The Fed has powerful defenders willing to turn a blind eye to any criticism. This General Accounting Office report provides a tough prescription that some may find hard to swallow. But I believe the alternative to treatment is simply an unfair cost to the taxpayer who would continue to be forced to pay.

I yield the floor and express my appreciation to the Senator.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from New York.

Mr. D'AMATO. Mr. President, I want to point out that I think when the Banking Committee considered the nomination of Chairman Greenspan some 4 years ago, there was only 1 vote cast in opposition to Mr. Greenspan. That opposing vote was this Senator. There were no other votes cast against him.

So I rise today to say that I am pleased that the concerns that I had with respect to Chairman Greenspan were proven to be wrong. The Chairman has done a most diligent job—in spite of the failure of the Congress to address the problems of the people of this Nation in a forthright, intelligent way, as it relates to dealing with our spending.

Throughout his tenure, the Chairman, even during turbulent political times, has remained constant and true. Some can be critical—regardless of whether the Congress is in control of the Democrats or Republicans, or split, or regardless of the stewardship of the Presidency, be it Republican or Democrat. However, absolutely essential to the well-being and the economic growth of this country was a necessity to reduce our deficits and to demonstrate that we were going to do this for real, not with make-believe numbers, because we have seen that too often.

Indeed, I remember well the years 1979 and 1980, with inflation rates that made it impossible for small businesses and entrepreneurs to invest in plants or equipment and working middle-class families to purchase homes. I recall fear, consternation, panic. Chairman Greenspan understands and remembers well the lessons of that inflation. It was devastating to the morale of the people of this Nation, to our economic well being, and to our leadership at home and abroad.

With that in mind, he has kept a steady hand at the wheel, instead of taking the politically expedient course of saying: Slash the discount rate. Slash it and let us pump up the money supply and, with that action, create doubts in the domestic and global business community about our resolve against inflation. These doubts will result in the kind of inflation where they used to change the prices of the canned goods so fast they would put one sticker on top of the other. Today, they would not do that. You would not even know they were doing it because they would do it by way of the computer markings. But in the late 1970's, people saw those price changes, felt their effects, and understood the results. I hope we have not forgotten those lessons.

In the late 1970's and early 1980's, prime interest rates were over 20 percent. Who could buy a house? That is the kind of thing we can very easily have today if the Federal Reserve overreacts. What experts does the Congress have who are talking about slashing the interest rates? The politicians who want to go home and say, ''We are going to give you everything for nothing.'' Why do we not cut the discount rate to 1 percent? How about a half-percent? How about a quarter percent? It is now about 5¼ percent. I will tell you what will take place if interest rates are unnecessarily cut while the economy is near its productive capacity. The cuts will fuel a speculative market, inflation and long-term interest rates will soar and young people who want to purchase homes will not be able to buy them.

Mr. President, I am going to make some more remarks. I know the chairman of the Budget Committee is here and he has a very difficult schedule. I believe he would like to speak. I am ready to yield the floor to my distinguished colleague for as long as he wants so that he might make some remarks. But I intend to come back to this debate.

Let us not hold responsible the Chairman of the Federal Reserve for our failures, the failures of the Congress of the United States to address the problems we have. Congress wants to be all things to all people, and never wants to cut anything. Members of Congress want to spend and spend, and then come into this Hall and say that the reason we are having the slowness in economic growth is because Alan Greenspan, in a mean-spirited or shallow way, does not want to cut the discount rate. If you really believe cutting the discount rate is going to solve all of the problems of the Nation, let us cut it. I have not heard people come forth and say that is going to be the answer. I have not seen any economists of any note say that is going to create long-term economic growth. I mean, this is nonsense—absolute, pure pap.

I have to tell you something. If you are really going to get down to saying, let us not confirm Mr. Greenspan because economic growth has not been fast enough, that would be like saying that the Chicago Bulls should not resign Michael Jordan because the Bulls did not beat Seattle fast enough by sweeping Seattle in four games. That is nonsense for the Chicago Bulls, and not confirming Chairman Greenspan would be the equivalent.

We have steady growth now. We have not had the kind of cycle that many have predicted because the economy is in the steady hands of someone who has not yielded to the expedience resorted to by many in politics.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I may speak for a shorter period of time than I thought. My voice seems to be having a little trouble today. Mr. President, in a few hours, the U.S. Senate will confirm three appointees to the Federal Reserve Board. I am very confident that we will do that. We will do it because, to do otherwise, would be foolhardy.

First of all, I am delighted to take this opportunity not only to speak on behalf of Alan Greenspan's renomination as Chairman of the Federal Reserve, but to congratulate him on a masterful job in his previous term—most recently, guiding the economy into the sixth year of expansion.

While many will try to take credit for the upbeat economy right now and for its consistency, I believe it is a reflection of the anti-inflationary policies, which began under Paul Volcker and have continued under Alan Greenspan. Let me repeat. I believe no institution, including the Presidency, including the Congress, deserves more credit for the 6 years of sustained growth in this economy than the Federal Reserve Board, headed by Alan Greenspan. By keeping inflation low, businesses and households alike are able to make investments and savings decisions with greater certainty, permitting more efficient functioning of

the economy. Households have been spared the tragedy of having inflation erode their savings nest eggs, while countless home buyers have benefited from lower long-term interest rates which have followed the Fed's disinflationary policies.

Of note, the Volcker/Greenspan tenure has seen economic growth in 12 of the last 13 years. Furthermore, Chairman Greenspan has played a very important role in enhancing banking regulation, ensuring that depositor safety is maintained in the midst of sweeping technologic breakthroughs in electronic banking, smart cards, and home banking.

I am somewhat amazed by Chairman Greenspan's critics, who argue that he is responsible for the low 2.1-percent level of trend economic growth. Now I am as intent upon boosting long-run growth as anyone here. But, it is important to realize that the solution to this long-term growth, which we want, and a higher rate of GDP growth than we have had, does not rest with the current Fed. Numerous academic studies have shown that the best way for central banks to boost growth is by targeting price stability. The United States is already very close to price stability right now, with inflation at or below 3 percent for the last 4 years. As such, there is little more that the current Fed can do to boost long-run growth further. The same was not true in the mid to late 1970's, when rampant inflation was having negative impact on investment and savings decisions. Such economic turmoil prompted a switch in 1979, from an easy money policy to a strong anti-inflation regime under then Chairman Volcker, followed by Chairman Greenspan. This switch brought inflation down over 12 percentage points in 6 years and gave rise to the second longest expansion this century during the 1980's. However, it is this very successful policy of reducing inflation that Chairman Greenspan's critics would change, and charge him with doing less than a good job. This is ironic since excessive monetary easing now would actually harm growth, not enhance it as some will claim. With the economy at full potential, an easing now would only provide a short-run boost, before inflationary pressures resurfaced. This would necessitate subsequent tightening and economic slowdown. It is precisely this type of feast or famine monetary policy that injects economic uncertainty and constrains long-run growth and causes a rollercoaster in the economy instead of sustained growth over long periods of time.

We want more growth. I do, and I talk to more and more people, and they all seem to think we should have more growth than the 2.1 to 2.3 percent GDP growth of late. Just as an explanation, our gross domestic product is like a big pie, perhaps a big cherry pie. What happens is when the pie is getting smaller, you have a recession. When it is growing, you have more jobs, better pay, more resources to split and divide among the various activities, including our working peoples' salary paychecks. This must grow or we have stagnation.

Mr. President, 2.1 to 2.2 percent added to that cherry pie is not sufficient. But what we must do is to urge that the Federal Reserve do just what it has been doing and then we, as policymakers, must do at least four things.

First, we must balance our budget within a reasonable period of time; stop using up the savings of the American people to pay for the debts of our country, rather, making it available for growth and to enhance productivity.

Second, we must throw away the tax policies of today. Throw out the tax laws and start over with a brand new set of tax policies that are progrowth, proinvestment, prosavings—simpler, easier to administer, and not so onerous on American business. We must cut taxes wherever we can.

Then we must take a serious look at all the regulations in the country, and where we find regulations that are not needed, take those burdens away from the economy, thus making room for growth.

And last, we must totally reform the education system of America. There is no question that the education system is not working. There are many who are not getting educated sufficiently for the jobs of today. There are many who need retraining, reeducating. The system seems to be floundering.

I think, just as we need a reform in fiscal policy, we need a reform in education so we can do a better job of helping people get ready for jobs in this economy. I note just today in the paper that some companies are paying a bonus to attract people to come to work in the beginning jobs in our economy, the startup jobs. We need to do a better job of training people, getting them educated enough to take the jobs and then move up to better jobs.

So, it seems to me, we should not say to the Federal Reserve Board: You should do all this and cause the growth, with the obvious problem that that can produce superinflation. We have seen it. We saw the day, in the waning months of the Carter administration, when, if you went to a grocery store you would see, right in the aisles of the grocery store, people changing the prices of food every day because inflation was so high that they had to have their clerks changing prices every single day. That was happening throughout the economy.

America needs low inflation to have sustained economic growth. America does not need a Federal Reserve Board that loosens up the money supply to invite inflation, or pushes interest rates down when they do not belong any further down, just for the sake of a spurt in growth only to be followed by very, very negative impacts on our people.

So, instead of blaming the Federal Reserve, we ought to look clearly at ourselves. We ought to look at what we spend our money for, how much we tax our people. Are we spending enough of the tax dollar in productive activities or are we spending it just exchanging money between our citizens? Do we have an education system that is feeding into our production machine students of all ages ready to take the jobs that we have today, with retraining and high skills being required? Do we have regulations that are too severe, that are not worth the costs that we are imposing?

If we were to do this for ourselves, none of us would be here looking for excuses by blaming the Federal Reserve Board that has caused 6 years of sustained growth, has gotten rid of the roller coaster, gotten rid of the idea that once you have growth you have to have a precipitous downturn that goes way down and lasts for a while. This Federal Reserve has slowed those peaks, which I think is worth a huge amount to the average working man and woman in America.

So, today, I am hopeful in a few hours from now we will overwhelmingly support Alan Greenspan. I will put my remarks in the RECORD regarding the other two candidates, whom I will support. I do not know their effectiveness as Federal Reserve Members because they have not been there. But it does appear to me the President has chosen two others who will, in complement with Alan Greenspan and the others, make a good team to keep America on the right path.

At present, the Fed's main challenge is to preserve low inflation and to keep the economy as close to its potential growth as it can. By doing so, the Fed can ensure that any economic downturns are mild and short-lived. Greenspan has succeeded in this regard, keeping the 1991 recession very shallow, despite widespread pressures in the banking sector. In fact, unemployment rose to only 7.7 percent in 1992, well below the double digit levels seen in the early eighties. Furthermore, with a preemptive strike on inflation in 1994, he was able to achieve an economic soft landing in 1995. He removed any nascent inflationary pressures, allowed firms to pare back their inventory overhang without precipitating a recession and set the stage for continued trend growth of 2.1 to 2.2 percent in coming years.

For those who would still argue that the Fed should run an easier policy in efforts to boost growth, I recommend a trip down memory lane. Remember back to the 1970's. Twice during this period, inflation topped 12 percent in conjunction with oil price shocks. However, the primary driver of these sustained inflation gains was not commodity prices per se, but the Fed's reaction to them. In both cases, then Fed Chairmen Burns and Miller pursued easy money policies to cushion the economy from the impact of the oil shocks. While well-intentioned, such policies exacerbated the situation by

ingraining inflation expectations, driving bond yields above 13.5 percent, plunging the dollar, and discouraging investment. There were direct human costs as well. In addition to skyrocketing mortgage rates and the plunging value of private savings, real average hourly earnings fell 3 percent in 1974, and another 2 percent in 1975. After making fractional gains in the late 1970's, they fell another 2.9 percent in 1979 and 4.7 percent in 1980. Clearly, this is not a period upon which we can look back with any favor.

Economic studies have shown that such large inflation spikes do curtail long-run economic growth, because of the disruption to business and consumer savings and investment decisions. Recent crosscountry surveys have shown that a 10-percentage-point increase in inflation per year is consistent with a 0.2 to 0.3 percent lower per capita GDP. Other studies show even larger negative effects. This highlights the economic risks if inflation had remained at high levels into the 1980's.

With the economy on the brink of economic crisis in 1979, President Carter appointed Paul Volcker as Fed Chairman that fall. Realizing the gravity of the situation, Volcker tightened credit appreciably, using money supply targeting as his compass. While there was a painful period of economic adjustment during 1980–82, the situation would have been far worse had inflation continued to spiral out of control. Post 1982, the benefits of the Fed's policy soon became evident. The economy entered the second longest recovery of this century, which lasted from the end of 1982 to the middle of 1990 and the onset of Iraqi-United States military tensions. The economic statistics from the 1980's recovery are nothing short of remarkable. GDP growth averaged 3.7 percent—20.8 million jobs were created. Median family earnings rose over 10 percent. All of this occurred as inflation was finally brought under control, falling from 14.5 percent in 1980 to below 2 percent by 1986, and remaining at relatively low levels thereafter. Interest rates followed suit, with the Federal funds rate falling from highs of roughly 20 percent in 1981 to just under 6 percent in 1986. Indeed, the 1980's recovery might well have extended beyond 1990 had it not been for gulf war tensions and the savings and loan crisis.

There was another essential element to the 1980's recovery, as well, that I haven't mentioned yet. Under Ronald Reagan, we had a government that was committed to reducing the tax and regulatory burden on the American people. Via the tax reform acts of 1981 and 1986, individual effective income tax rates fell 13 percent. Such benefits were well dispersed—the lowest 40 percent saw their individual tax rates fall 31 percent between 1980 and 1990, while the top 40 percent saw a 9-percent decline.

As we entered the nineties, however, only half of the successful recipe for 1980's growth remained. We still had a Federal Reserve committed to low inflation under the tenure of Alan Greenspan. This ensured that growth would remain close to potential with minimal economic disruption. However, what we lost was the pro-growth, low tax, less regulation philosophy of Government. Instead, we inherited President Clinton's high tax, large Government approach. This combination has kept trend growth steady but artificially depressed.

In a reversal of Reagan's efforts to scale back Government intrusion in peoples' lives, President Clinton and congressional Democrats passed the largest tax increase in history in 1993. It saddled average Americans with higher gas prices and lower Social Security take-home benefits, it hurt businesses by altering deductions, and it boosted marginal tax rates for EITC recipients and higher income individuals alike. Thus, it is not surprising that productivity under President Clinton has averaged only 0.5 percent, well below the post 1973 average of 1.1 percent. Such meager productivity growth has kept real wages stagnant, giving rise to much of the economic angst which so many workers have experienced. Just to emphasize this point, real average hourly earnings were $7.40 when Clinton took office and are the same $7.40 today despite 3 years of growth during this period. Furthermore, real median family earnings were lower in 1994 than they were at the bottom of the last recession. The only one consolation is that President Clinton's massive Government takeover over the health sector never occurred. Had it materialized, I fear that productivity, savings, and standards of living would have been even worse than they are. For that, we have congressional Republicans to thank.

Lackluster productivity growth stresses the need for more substantive action on the part of policymakers. One effort that I have devoted enormous effort to is reducing the budget deficit. By bringing the budget to balance in 2002, CBO estimates that growth will be boosted by an additional 0.4 percent over this time period. It will free up savings for investment, it will allow citizens to keep more of their hard earned money, and it will boost standards of living—the overriding goal of all policy. Now some will say that President Clinton shares this goal too, and note that the deficit has declined since he took office. However, I would first call attention to the President's fiscal year 1996 budget, in which he proposed a deficit of $195 billion in the year 2000. He only hopped onto balanced budget efforts after the Republican Congress championed this issue.

Furthermore, I would argue that most of the current deficit reduction and economic growth has occurred in spite of President Clinton not because of him. If one looks at CBO's projection of the 1995 budget deficit when President Clinton took office and compares it to actual numbers, some interesting facts appear. A full 50 percent of this deficit reduction stems came from technical factors, notably from the resolution of the thrift crisis. Another 11 percent came from economic growth, a tribute to Fed Chairman Greenspan more than anything else. The remaining chunk stemmed from higher taxes and user fee hikes. Less than 1 percent came from spending cuts. Now some will argue that debate over why the deficit has fallen is just partisan sniping. Far from it, however. It is crucial to know how the deficit came down in order to assess whether it will stay down. The path of deficit reduction that I have just described does not bode well for future progress. We can't rely on savings from thrift crisis resolution forever. We can't assume that the economy will always be a positive for deficit reduction.

In addition to a balanced budget, there are other needed components for long-run growth strategy as well—overall tax reform and enhanced education and job training opportunities are critical. The current U.S. Tax Code is designed to favor consumption over savings so it should be no surprise that it has given the United States one of the lowest overall savings rates in the G–7. We must alter our Tax Code to favor savings by increasing IRA's and allowing businesses to expense their investments.

We also need to be as concerned with human capital as we are with physical capital. We must look for innovative ways to enhance the training that our children and workers receive. As technology advances, job advancement will be linked to skill levels more and more, serving to widen income differentials unless action is taken. States should be encouraged to experiment with a variety of voucher programs at the primary and secondary level. It does no good to put emphasis on postsecondary education if secondary schools are turning out students without adequate reading and writing skills. We must also work to facilitate the transition of many workers between jobs. This can be done by using State job training vouchers as well as encouraging consortiums of small businesses to provide training to their workers collectively. This has already been done successfully with small business pension programs.

And lastly and very importantly, we must ensure that the Federal Reserve continues to follow an anti-inflationary policy. We should give our full support to Chairman Greenspan as he endeavors to keep inflation low and growth centered around longrun trend. We, as policymakers, should be the ones trying to boost trend growth from here, not the Fed.

Alan Greenspan has done an exceptional job since he first assumed the Chair in 1987, and will undoubtedly

continue this track record if reappointed. I encourage all my colleagues to give their full and unwavering support for Chairman Greenspan's reappointment.

I thank my friend, Senator D'AMATO, chairman of the Banking Committee, for yielding. I thank the Senator.

Mr. D'AMATO. Mr. President, I think if anybody has earned the respect of our colleagues on the issues of the Federal budget and domestic spending, it is certainly Senator DOMENICI. It is imperative that we not attempt to attribute slow economic growth to the Fed. That is an easy political ploy, whether it be used by Democrats or Republicans.

I think Senator DOMENICI is absolutely correct. In the area of failing to balance the budget, that is the failure of Congress; that is the Executive's failure; that is the failure of past administrations and the present administration, past Congresses and the present Congress. We have all failed to develop and implement which will bring even greater confidence and economic stability, domestically and worldwide.

If we want interest rates to come down and create better investment opportunities, we need a Tax Code which encourages savings to bring about more capital formation, leading to more jobs and more opportunity. Obviously, as the Senator has touched on, the fact is that we are failing in our educational system to meet the challenges of retraining and providing a trained labor pool. Many businesses cannot get the qualified personnel that they need. As a matter of fact, we hear those who are opposed to some of the proposed immigration reforms because, they say, the reforms would make it impossible to get the kind of talented work pool needed from outside the United States. This is a fact.

So for us to say, well, the reason we do not have a better growth rate than 2.5 or 2.2 percent is because of Chairman Greenspan or that he is opposed somehow to greater economic growth is just fallacious.

Let me address, if I might, the question of the GAO report. We are going to look into this. It is important. Chairman Greenspan acknowledged that the report has touched on a number of areas where they believe they can do better.

I must comment on this business of saying that there is a $3.7 billion slush fund. The Federal Reserve turns over about $20 billion a year in earnings to the Treasury and keeps a reserve—let us say it is $4 billion. To say that this reserve is a slush fund is just not correct. It is wrong. Let me tell you why. You need to understand the nature of this reserve. This is the central bank of the United States. We have had all manner of occasions where the financial system experiences stress and crises. Sometimes there are even significant costs to the taxpayer. For example, we saw in the savings and loans debacle $150 billion of taxpayers' moneys being needed to end that crisis. We have seen worldwide situations that developed when our central bank and others have to move in quickly. We have in terms of deposits insured by the Federal Government roughly $4 trillion—$4 trillion—in the American system. Let me say that the Fed surplus of $4 billion represents one-tenth of 1 percent of those deposits. That is not a tremendous amount for the central bank to hold in the event it has to deal with an emergency. My colleagues who run around and banter that the Federal Reserve has a $3.7 billion fund with some unknown purpose need to understand the ramifications of dealing with a financial system that includes $4 trillion in deposits insured through the FDIC.

I think it is rather irresponsible to somehow equate holding this reserve to the people's money being negligently managed. Indeed, Mr. Greenspan is known as the world's preeminent central banker. President Clinton did not nominate Chairman Greenspan because he is a Republican or a Democrat or a partisan. He nominated him because he deserved the position and he has been universally applauded for his overall performance of the last 8 years.

I want to include at the end of my remarks a number of editorials which illustrate the overwhelming support that Mr. Greenspan enjoys. Again, if we want to do something to bring about more growth, then let us see that the Congress manages the business of the people in a more effective, more efficient way. There is room for agreement and disagreement as to how we can do better, but let us put our own fiscal house in order and we will get interest rates down for the long term. We do not need false stimulation that will give some temporary relief for short-term borrowing costs but ultimately create inflation of double digits once again, causing long-term interest rates to rise so that young families are denied the opportunity of purchasing homes and businesses are unable to figure out their long-term borrowing costs.

That is not the kind of management our Nation needs. We need steady, prudent management of our economy. Most importantly, we have to see that the Congress of the United States makes the necessary reforms in our current tax system which does not reward savings or investment and in fact penalizes savings. Our tax system and our complex system of regulations help retard economic growth and expansion. We have an educational system that has too many bureaucrats and not enough money coming into classrooms and not enough choice for people to make in educating their children. This is particularly true in poor inner cities where we find that the working poor are trapped and do not have the ability to send their children to schools that can give them meaningful educational opportunities to enable them to compete. We have become a nation entrapped in the bureaucracy that comes out of Washington.

So, Mr. President, I rise to strongly support the nomination of Chairman Greenspan. I ask unanimous consent that the articles I have alluded to be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Financial Times, Jan. 29, 1996]

RENOMINATING MR. GREENSPAN

The identity of the person who will hold what is arguably the most powerful post in the United States will shortly be known. If the present incumbent, a major figure in domestic politics, survives the peculiarly American ritual of nomination then a landslide victory can be all but assured. Unfortunately for President Clinton, whose practical authority and command depends so much on the co-operation, often not forthcoming, of others, the position concerned is chairman of the Federal Reserve Board and the person is Mr. Alan Greenspan.

The chairman's present term expires on March 2 and he has indicated a willingness to accept a third period as the world's most important central bank chief. Since his initial appointment by President Reagan in 1987, Mr. Greenspan has built a formidable reputation for himself. He has managed to combine a reputation for vigorous economic orthodoxy with Wall Street and world markets whilst in practice proving rather more flexible than that image would suggest. He has mastered the art of being a political figure whilst not looking one. His genuine internationalism, and capacity to innovate, have earned high praise within the G7 and beyond.

LITTLE OPTION

It is not surprising then that the president not only should renominate him but almost certainly will. Given a Republican Senate, Mr. Clinton has precious little option but to back the current chairman. This is compounded by the failure of previous White House efforts to acquire influence on the Fed through more aggressive nominations.

The first Clinton appointment, Ms. Janet Yellen, was perceived as insufficiently orthodox and has been a marginalised figure throughout her tenure. Mr. Alan Blinder, elevated to vice-chairman, and widely touted as the favoured candidate for chairman, never recovered from a speech that questioned the minimisation of inflation as the board's exclusive mission. He announced his return to academia this month. The president has still to find a replacement for Mr. John LaWare, who quit last year, that the Senate will accept. The administration will be playing with congressional fire again if, as suggested, it offer Mr. Felix Rohatyn as Mr. Blinder's replacement.

GOOD FORTUNE

Whether Mr. Greenspan is wise to court further office is another matter. Central bank governors require luck as well as judgment and he has had an unusually large share of good fortune over the past nine years. To stretch that record for another four years is surely tempting fate.

Yet he must consider the short-term signs to be encouraging. Given last weeks' agreement, the federal government—and hence his office—will at least be open on March 2. It took the merest hint of a credit downgrading from Moody's for previously gung-ho congressional Republicans to make assuring noises on the debt ceiling.

In the medium term, if any multi-year bargain on the federal budget deficit is reached, deliberately restricting fiscal options, then

monetary policy and the control of it will become even more significant. Were this fiscal shift enshrined in a balanced budget amendment to the American Constitution, that enhanced significance would become permanent. The Federal Reserve Board is likely to be an increasingly important body in the 21st century.

In such circumstances, the prospective renomination of Mr. Greenspan is especially appropriate. The president would be well advised to announce his intentions immediately.

[From the Washington Post, May 9, 1996]

FED UP

A President nearing the end of his term can expect to have a hard time moving nominations through the Senate, especially if the other party is in the majority. The party reasons that, if only it waits, its candidate may win the next election and be the one to fill the job. It may therefore come as no surprise that President Clinton's nominations of Alan Greenspan to be chairman, Alice Rivlin to be vice chairman and economist Laurence Meyer to fill a vacancy on the Federal Reserve Board are stalled—except that it isn't Republicans doing the stalling.

The nominations are being held up by a small group of Democrats led by Sen. Tom Harkin. Their complaint is that Mr. Greenspan, in his zeal to suppress inflation, has kept the economy from growing as fast as it should and thereby cost the country—working people in particular—jobs and income. Sooner or later they are expected to relent; they don't expect to deny him the nomination so much as to call attention to their argument and—who knows?—possibly soften up the board and cause it to alter course a little.

It's fair enough to make the argument if they want to, and Republicans earlier went much further in deflecting altogether the nomination of investment banker Felix Rohatyn as vice chairman; they argued he was too pro-growth. Of course, the Democrats said in response that it was wrong to make a capable nominee a pawn in a political dispute—and that's as true in this case as it was in that.

All three of these people are excellent choices whose instincts will keep them well within the envelope of acceptable policy. There will always be a debate about how fast the economy can safely be allowed to grow and where the balance point exists between the risks of renewed inflation and lingering slack. The more success the Fed has had in combating inflation lately, the more that risk has seemed to recede, but that hardly means the board's policy has been wrong.

Our own sense is that the board has both less latitude and less fine control over the economy than some of the rhetoric surrounding its decisions would suggest. Its ability to tilt in the direction of growth is further constrained by Congress itself, or by the elected branches generally. The budget deficits they have compiled in recent years have given the board little choice but to lean on the brakes as an offset. Mr. Greenspan seems to us to have done a good job of navigating a narrow channel. As Mr. Harkin's own president is fond of saying, the unemployment and inflation rates are both pretty low just now.

But the real point is that those who believe the mix of risks in the economy has changed a little in recent years, so that it would be both safe and beneficial to shoot for a slightly higher rate of growth, can make that argument in the confirmation process, as to some extent they already have. Merely putting nominations on hold is obstructionism, not debate. It is time for the Senate to liberate Mr. Clinton's three nominees and take a vote.

[From the Washington Post, June 3, 1996]

A JOB FOR THE SENATE

If the Senate has some time to kill when it reconvenes this week—and the Senate is always killing time—we have a suggestion. It could debate and vote on the president's choices to complete the Federal Reserve Board. They have been held up too long.

It was in February that Mr. Clinton announced his intention to nominate Alan Greenspan to another term as chairman of the seven-member panel, Alice Rivlin to be vice chairman and St. Louis economist Laurence Meyer to fill a vacancy. The paperwork went up a few weeks later, the Banking Committee held a hearing March 26 and sent the nominations to the floor the next day. They've languished since because of opposition on the part of, not the majority Republicans, but a handful of discontented Democrats led by Iowa's Tom Harkin.

The opponents think that, in its zeal to suppress inflation, the Fed in recent years has kept the economy from growing as rapidly as it safely could. The slower growth has cost the country income and jobs; so they believe, and in part they blame Mr. Greenspan. It's the ancient argument: Which is the greater danger, the risk of renewed inflation or the consequences of economic slack? Mr. Harkin and the others on his side believe the latter, and want to use the debate on the nominations as a consciousness-raising session. The argument has had to do with how much time they'll be given, but surely that can be worked out. They ought to get it done.

Our own sense has been that the Fed has done a pretty good job of late of steering between the risks of inflation and slack; the inflation and unemployment rates are both pretty low. Its maneuvering room in this regard has also been constrained by Congress itself. The country has had a wide-open fiscal policy in recent years; the deficit is its emblem. The Fed has had little choice but to offset it. The pro-growth types in both parties complain about a policy of constraint that they themselves have helped to force.

Sure, the Senate ought to debate these issues. They're a lot more important than much of what it does debate. But it ought not hold these nominations hostage in the process. The president has chosen well. The nominees are qualified. The senators can talk all they want, and they usually do. But time now to vote as well.

[From the New York Times, June 8, 1996]

THE UNFAIR WAR ON ALAN GREENSPAN

Senator Tom Harkin of Iowa has single-handedly blocked a vote to confirm Alan Greenspan's reappointment as chairman of the Federal Reserve Board. Mr. Greenspan will no doubt be approved, eventually. But the annoying delay could grow worse if, as is now threatened, his confirmation is tied to that of a number of controversial judicial nominations.

The truth is that Mr. Greenspan's record, by testimony of liberal and conservative economists alike, deserves high praise, not Mr. Harkin's thoughtless barbs.

Mr. Harkin accuses Mr. Greenspan of needlessly shackling the economy, and there are some economists and businessmen who agree with him. But the record says otherwise.

The economy has grown during seven of the eight years that Mr. Greenspan has led the Federal Reserve Board. Unemployment has steadily declined. So has inflation—an unusual combination of good outcomes. What Mr. Harkin criticizes is the fact that the steady growth rate has, by comparison with the 1950's and 60's, been relatively slow—about 2.5 percent per year. Mr. Harkin wants growth of 3 or 4 percent.

The sobering fact is that the Fed has no say over long-term growth and employment. Growth is limited to about 2.5 percent a year because of slow population growth and productivity growth, two trends over which the Fed has almost no control. What the Fed does control is the amount of money circulating through the economy, which determines how fast prices rise. The best way the Fed can make sure the economy grows as fast as possible is to remove the fear of inflation from the decisions to work and invest that are made by ordinary citizens. On that score, Mr. Greenspan's record has been very good.

It is true that the Fed can, when the economy is in a temporary lull, bring down interest rates in an attempt to spur investment and boost economic activity back up to capacity levels. But there are fairly strict limits on how far the Fed can go. At some point—economists disagree where—unemployment falls so low that wage and price inflation begin to soar.

Mr. Harkin asserts that the economy could operate without threat of inflation at an unemployment rate well below the current level of 5.6 percent. That may be true. But even if the Fed turned activist, and Mr. Greenspan's critics turned out to be right about inflation, the impact on the economy would be modest and temporary. If, for example, the Fed nudged unemployment down to 4.5 percent, it would mean only that the economy could grow a bit quicker, around 3.5 percent, for about two years. Then growth would slip back down to its long-run potential of 2.5 percent.

A case can be made, in hindsight, that the Fed has erred in the direction of caution the past couple of years. But the errors have been slight and the impact small. The important fact is that Mr. Greenspan has kept the economy on a steady course through turmoil on Wall Street and a war in the Persian Gulf. Mr. Harkin's carping is not just annoying. It is wrong.

[From the Dallas Morning News, Oct 8, 1995]

FEDERAL RESERVE—GREENSPAN DESERVES 4 MORE YEARS AS CHAIRMAN

The job of Federal Reserve Board chairman requires a steady hand, which is why President Clinton should reappoint Alan Greenspan to a third four-year term.

The Fed's main mission is to preserve the value of the nation's currency by managing the money supply. In this, the Fed has performed extremely well under Mr. Greenspan's direction, and often in difficult circumstances. Prudent Fed adjustments of short-term interest rates have helped to keep inflation low during more than four years of unbroken economic growth.

Not that Mr. Greenspan has been without controversy. Mr. Clinton has been known at times to resent his anti-inflation hawkishness. President George Bush felt Mr. Greenspan waited too long to lower interest rates, when a well-timed lowering might have provided an economic stimulus to aid his doomed re-election effort.

But in general, Mr. Greenspan has led the Fed to sound decisions. Despite the fact that his prior appointments were by Republicans, Mr. Clinton should reward him for his impartial and intelligent deliberations.

The choice is important. Over the next six months, Mr. Clinton must fill three vacancies on the Fed's seven-person board of governors. At the same time, Congress is expected to try seriously to eliminate the 26-year string of federal budget deficits.

Because the deficit may at last vanish, the temptation will be for Mr. Clinton to appoint inflation doves. That's not necessarily bad, if Congress actually balances the budget. The

nation may need a looser monetary policy to stimulate investment and jobs while the economy adjusts to smaller government.

But, in that event, financial markets will demand a chairman who is a known and respected quantity, a proven inflation fighter, a seasoned dealer with congressman and presidents. Mr. Greenspan is that choice.

If Mr. Clinton deems Mr. Greenspan capable, he should be able to reappoint him. Besides, Mr. Greenspan's 14-year term as a Fed governor doesn't expire until 2002. As long as he's on the board, he should be able to serve as chairman.

The choice is clear: Give the green light to Greenspan.

Mr. D'AMATO. Not to overuse a good statement, but I am going to do it again, Chairman Greenspan has been a success. He should be rewarded, and the people should be protected. He has actually won the championship, much like the Chicago Bulls, and winning that economic championship has not been easy. It has not been a knockout in every sense. He did not sweep the series. But, again, refusing to confirm Mr. Greenspan because economic growth has not been fast enough or high enough would be like the Chicago Bulls saying we are not going to sign Michael Jordan because the Bulls did not sweep in four games but just won the championship in a way that did not meet the expectations of all the critics.

I yield the floor.

Mr. HARKIN. Mr. President, I yield 20 minutes to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I had a real good sleep last night so I am well rested and I hear quite well. I heard apparently the Senator from New York compare, was it the Federal Reserve Board to the Chicago Bulls? Did the Senator from New York just compare the Chicago Bulls championship basketball team to the Federal Reserve Board?

Mr. D'AMATO. I did not hear the last comparison that the Senator asked me to comment on.

Mr. DORGAN. I just said I had a good sleep, and I am hearing fairly well this morning. I thought I heard the Senator say that the Federal Reserve Board is kind of like the Chicago Bulls, and apparently one was referring to the fact that the Federal Reserve Board has been champions in winning this battle against inflation and the Chicago Bulls are the world championship basketball team, and I thought, well, maybe I did not hear very well.

Mr. D'AMATO. That is true. I think the Federal Reserve has done an excellent job. They have put us on a strong and steady course, and I would compare that course to any worldwide, to all the other major economies, the Japanese, the Germans, et cetera. I would say that the failure to make an economic sweep comes from the Congress and the failure of us to do our jobs, coupled with the White House—not just this White House but other White Houses as well.

Mr. DORGAN. I thank the Senator for yielding on that point. I thought, heck, I guess I do not understand this debate. If the Fed is like the Chicago Bulls, where is the Dennis Rodman? There would be no one down at the Fed who would be countenanced as having contrary views.

The Federal Reserve Board, as you know, operates behind closed doors and in secret. It is the last dinosaur in our Government making monetary policy decisions that affect everyone. We talk a lot about taxes on the floor of the Senate. When the Fed hikes interest rates, there is a tax imposed on every single American, with no debate or democratic process about whether the families in America should pay these taxes.

There is a tax imposed on every single American when the Fed says behind closed doors, ''We're going to keep the Federal funds rates higher than it should be.''

Why?

''Because we, as a group of economists and bankers and others who run the Federal Reserve Board are worried about inflation.''

What inflation? Five years in a row inflation has come down, not gone up. That is not, I say to my friend from New York, a function of the behavior of the Federal Reserve Board.

The global economy has put downward pressure on wages. Why? Because the global economic system is says that our largest corporations are international citizens. These corporations say we want to consign America's work force, at least the lower two-thirds of the work force in America, to compete with 2 or 3 billion other people around the world, some of whom are willing to work for 10, 12 or 25 cents an hour. This puts downward pressure on wages.

Mr. D'AMATO. Will my colleague yield for an observation?

Mr. DORGAN. I will be happy to yield.

Mr. D'AMATO. First of all, let me say Mr. President, I believe my colleague has brought up, absolutely correctly, the need to have a thorough, thoughtful discussion and review of how the Federal Reserve conducts its business. And I, as Chairman of the Banking Committee which has jurisdiction, promise you that discussion and review. I also welcome your active participation.

My colleague and friend, Senator DORGAN, has not been a Johnny-come-lately to scrutinizing the Federal Reserve. Senator DORGAN has been thoughtful in addressing a number of issues, and just recently brought to the chairman's attention one of his concerns. I wanted to stop at this point and say the Senator is correct. We have to examine the Federal Reserve's operations and look at how much secrecy and confidentiality is required. Senator DORGAN and I both understand there are certain instances where confidentiality is unquestionably warranted, in order to avoid speculative actions in financial markets. I think Congress has to thoughtfully look at these issues and examine them in light of the world markets we have and in light of the communications we have.

I also want to indicate to you that we have responded to the concerns raised by Senator DORGAN in his letter. I do not know if you have gotten a response to your recent inquiry regarding to some of the very disturbing reports on the Los Angeles branch of the San Francisco Federal Reserve. These reports discuss irregularities which involve hundreds of millions of dollars. I have asked the Federal Reserve to respond to these reports. I ask unanimous consent that Senator DORGAN's letter and my letter to the Federal Reserve be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 18, 1996.

Hon. ALFONSE D'AMATO,
Chairman, Committee on Banking, Housing and Urban Affairs, Washington, DC.

DEAR MR. CHAIRMAN: I'm writing to urge that the Senate Banking Committee hold a hearing to thoroughly examine the troubled currency reporting practices recently uncovered at the Los Angeles Branch of the Federal Reserve Bank in San Francisco.

According to recent press reports, Federal Reserve employees at the Los Angeles branch bank knowingly engaged in an ongoing practice of falsifying cash reports sent to the Board of Governors. It is my understanding that the Federal Reserve Board uses this information to help determine the level of money in circulation, to assess currency needs in different parts of the country and for other important reasons.

In the last three months of 1995, there reportedly were errors in currency and coin activities that totaled more than $178 million. It is alleged that this practice has occurred for years and was actually condoned, if not directed, by bank management.

This is simply outrageous if the reports are anywhere near accurate. I think that Federal Reserve officials ought to fully explain to the American people if there are mismanagement and accounting lapses at the Los Angeles branch bank, and tell us what steps, if any, are being taken to prevent this from happening in the future. I also believe the matter should be fully audited by the General Accounting Office. One thing is clear: if we ultimately find out that money is actually missing at the branch bank, American taxpayers are the real losers. That's why we can't allow the Federal Reserve Board to simply brush this matter aside and allow it to become just another case of business as usual when questions arise about Federal Reserve oversight.

Again, I urge you to hold hearing to examine this matter at the first available opportunity.

Thank you for your consideration of my request. I look forward to hearing from you soon.

Sincerely,

BYRON L. DORGAN.

U.S. SENATE,
COMMITTEE ON BANKING HOUSING,
AND URBAN AFFAIRS,
Washington, DC. June 7, 1996.

Hon. ALAN GREENSPAN,
Chairman, Board of Governors of the Federal Reserve System, Washington, DC.

DEAR CHAIRMAN GREENSPAN: I am concerned about recent news reports concerning the operations of the Los Angeles branch of the Federal Reserve.

I urge you to look into the published accounts, to prepare a complete report and explanation, and to expect to utilize the materials in connection with hearings and public discussion of the GAO's final report on the Federal Reserve Board Operations.

Sincerely,

ALFONSE D'AMATO, *Chairman*.

[From the New York Times, June 4, 1996]

FED LOOKS INTO CASH DISCREPANCIES AT BRANCH

(By Dow Jones)

WASHINGTON, June 3—The Los Angeles Federal Reserve bank branch appears to have had trouble counting its money, and a report published today said that cash reports sent to Washington had been doctored to conceal discrepancies totaling tens of millions of dollars.

The alteration of the documents, disclosed in The Wall Street Journal today, was confirmed, The Journal said, by an executive of the San Francisco Fed bank, which oversees the Los Angeles branch. The executive said the discrepancies were being investigated.

Internal documents showed that in the 1995 fourth quarter, employees were ''forcing'' balances that did not add up, so that the reports sent to the Fed board would appear correct.

Current and former employees say the practice has been going on for at least a year in the cash-handling operation and that far larger discrepancies may have occurred over time. The Los Angeles branch runs one of the largest Federal cash vaults, putting money into circulation and destroying old currency.

But none of the people familiar with the situation said there was evidence that cash was missing.

The apparent management lapses in one of the Fed's most basic and important functions may prove an embarrassment for the central bank at a time when it is already under fire from the General Accounting Office for its spending and management practices, particularly at some of the Fed's 12 district Fed banks.

Although there was no evidence that other branches had problems akin to the Los Angeles branch's, the incident may renew questions about Fed bank management as its chairman, Alan Greenspan, awaits Senate confirmation for a third term.

On Friday, Representative Henry B. Gonzalez, a Texas Democrat and longtime Fed critic, asked the Government Accounting Office, an investigative arm of Congress, for an emergency audit of the Los Angeles cash unit. He asserted that senior managers in Los Angeles had known of ''deliberate falsifications'' of the cash reports.

The chief operating officer of the San Francisco Fed, John F. Moore, confirmed that ''there were some reports that contained inaccuracies that were identified by management in January.''

''There were months when the report had to be completed before deadline when they sent it up without substantiating certain numbers,'' Mr. Moore said.

The Fed board uses cash reports from district banks to track the level of currency in circulation, to order new cash from the United States Mint and to monitor how much has been destroyed and for other statistical purposes.

According to an internal compliance report prepared in January by the staff at the Los Angeles branch, discrepancies varied sharply from month to month. In November 1995, for example, the report sent to the Fed board claimed $61.8 million more than it should have; in December, the figure was too low by $111.1 million.

[From the American Banker, June 4, 1996]

FED BRANCH ACCUSED OF JUGGLING BOOKS

(By Bill McConnell)

WASHINGTON—Managers at the Los Angeles branch of the Federal Reserve Bank of San Francisco falsified their books to cover up accounting errors, Rep. Henry Gonzalez charged Friday.

John Moore, first vice president and chief operating officer at the San Francisco Fed, denied any official coverup, but told The Wall Street Journal that the Los Angeles branch sent incorrect cash reports to Washington. He did not return phone calls Monday.

Rep. Gonzalez, publicizing problems at the Fed's L.A. branch, said on Friday that his staff had uncovered more than $178 million in accounting errors there during the fourth quarter. An aide to the House Banking Committee's ranking Democrat said the branch may have submitted false reports for as long as two years.

The investigation uncovered a variety of mistakes at the branch, which operates one of the government's largest vaults. Errors included $28 million in misclassified cash shipments from the Bureau of Printing and Engraving and $2 million in dollar coins recorded as paper currency.

Rep. Gonzalez asked the General Accounting Office to investigate the branch's currency operations.

[From the Wall Street Journal, June 3, 1996]

LOS ANGELES FED HAS MONEY TROUBLES

(By John R. Wilke)

WASHINGTON.—The Los Angeles Federal Reserve branch appears to have had some trouble counting its money, and has doctored cash reports sent to Washington after finding discrepancies totaling tens of millions of dollars.

The altered reports were confirmed by an executive of the San Francisco Fed bank, which oversees the Los Angeles branch. He said the discrepancies are being investigated. Internal documents show that in the 1995 fourth quarter, employees were ''forcing'' balances that didn't add up so that the reports sent to the Fed board would appear normal.

Current and former employees say the practice has been going on for at least a year in the cash-handling operation and that far larger discrepancies may have occurred over time. The Los Angeles branch runs one of the largest federal cash vaults, putting money into circulation and destroying old currency.

The apparent management lapses in one of the Fed's most basic and critical functions could prove to be an embarrassment for the central bank at a time when it is already under fire from the General Accounting Office for its spending and management practices, particularly at some of the 12 district fed banks.

Although the problems appear to have been confined to the Los Angeles branch, the incident could renew questions about Fed bank management as its powerful chairman, Alan Greenspan, is awaiting Senate confirmation to a third term.

Rep. Henry Gonzalez, a Texas Democrat and longtime Fed critic, asked the GAO late Friday for an emergency audit of the Los Angeles cash unit. He charged that ''deliberate falsifications'' of the cash reports were known to senior managers in Los Angeles.

John F. Moore, chief operating officer of the San Francisco Fed, confirmed that ''there were some reports that contained inaccuracies that were identified by management in January.'' He said local managers apparently continued the practice even as they tried to correct the problem, deliberately sending misleading reports to the Fed board.

''There were months when the report had to be completed before deadline when they sent it up without substantiating certain numbers,'' he said.

Mr. Moore said that no cash was actually missing from the bank. ''We balance to the penny all the money coming in and out of the bank everyday.'' Other Fed employees said that given the huge discrepancies, this assertion couldn't be proved unless separate manual cash tallies were checked. ''If they are forcing the balances on these reports, you still have to establish where that cash is,'' one said. However, none of the people familiar with the situation said there was evidence of missing cash.

According to an internal compliance report prepared by the Los Angeles branch staff in January, discrepancies varied sharply from month to month. In November 1995, for example, the report sent to the Fed board claimed $61.8 million more than it should have; in December, the figure was too low by $111.1 million.

The Fed board uses cash reports from the district banks to track the level of currency in circulation, order new cash from the U.S. Mint, monitor how much has been destroyed, and for other statistical purposes.

Mr. Moore said that there was a $178 million difference ''between what our compliance group was able to add up and what was sent to the board'' in the cash reports in the 1995 fourth quarter. But he insisted: ''This is a statistical problem, not a financial one.''

[From the USA Today, June 4, 1996]

CRITIC SAYS FED JUGGLED ITS BOOKS

Federal Reserve employees were ordered to falsify reports to cover up $179 million in discrepancies, a longtime Fed critic alleged Monday.

Rep. Henry Gonzalez of Texas, senior Democrat on the House Banking Committee, claims Fed employees used accounting gimmicks to cover discrepancies in Fed reports the last three months of '95.

The employees work at the Fed's Los Angeles branch, one of the nation's largest currency processing centers. The General Accounting Office has been asked to investigate the allegations, Gonzalez says.

He says the accounting gimmicks covered up shortages of $5.8 million in October and $111.1 million in December between two different reports.

In November, the report that was changed actually came in $61.8 million higher than another report. That left a net shortfall of $55 million for the three months, although there are no accusations of missing money.

John Moore—chief operating officer of the San Francisco Fed, which oversees the Los Angeles branch—says there have been report inaccuracies.

But new procedures have been put in place to correct the problems, Moore says.

Mr. D'AMATO. Mr. President, I am not suggesting for one second that while I support Mr. Greenspan as Chairman that we should not take a careful look at the practices of the Federal Reserve that, in some cases, are so esoteric. I think we have an obligation to review this, and I say to you, I will support such an endeavor.

Mr. DORGAN. I appreciate that. I think that is a helpful response.

Let me frame this issue the way it should be framed. I said before, and I want to say again, this is not personal with me. In fact, I admire Chairman

Greenspan. I think he has performed a substantial amount of service for this country. I disagree fundamentally with the monetary policy that is now employed by the Federal Reserve Board, because I think it artificially restricts economic growth in this country in a way that is unwarranted. I think it serves interests that are not the interests of the producers and workers. It serves the money center bank interests. I think they are fighting a ghost foe. The Fed's fighting inflation that does not exist and claiming credit for bringing inflation down. Again, inflation is being brought down by the pressures of the global economy. So it is not personal with me.

In addition to the issues of monetary policy, the GAO raises, I think, some fundamental questions about the mechanics and the operations of the Reserve Board, and I think those need to be examined. And I appreciate the response of the Senator from New York that he intends to do that.

Let me say that the Senator from Iowa, Senator HARKIN, has only asked that there be a debate and a full discussion about Mr. Greenspan's nomination on the floor. We had people in the Senate who said, ''Well, what we would like to do is move these nominations by unanimous consent, and we don't have time for a debate.''

The Senator from Iowa, I think, has suffered some significant pressures and criticism by people who said, ''What are you doing?''

Well, he was not bowed by that, fortunately. He was doing what he thought was right and what I think is right: Asking that this Senate discuss monetary policy.

We are now discussing it, and we are going to have a vote. Mr. Greenspan, I predict, is going to be confirmed by a wide margin. I personally am not going to vote for his reconfirmation for a second term. It is nothing personal, but I think the Fed is marching in the wrong direction.

I am going to read some quotes, but let me first respond to something said by the Budget Committee chairman. He said if the Congress were more responsible in fiscal policy, we would have better economic growth. I heard that before. Let me respond by reading this.

This is a comment by the former Director of the Congressional Budget Office, Robert Reischauer. He is now with the Brookings Institution. He says:

> Whether or not the supply-siders think cutting taxes will make the economy grow faster doesn't really matter. . . . If Alan Greenspan thinks the economy can't grow faster than 2.2 percent a year without triggering inflation, it isn't going to happen.

That is Mr. Reischauer. If Mr. Greenspan does not want growth rates higher than 2.2 percent, it is not going to happen. I agree with him.

The Federal Reserve Board believes that unemployment should not drop much below 5.5 percent, maybe even 6 percent, because they worry it will trigger more inflation. They believe the economy should not grow more than 2 or 2.5 percent a year, because they worry it will trigger more inflation. I have said they view themselves as a set of human brake pads whose sole mission it is to slow down the economy. My Uncle Joe can do that. Maybe we should put my Uncle Joe on the Federal Reserve Board. He does not have any experience, but he could certainly slow down the American economy.

If the Federal Reserve Board believes that its mission is to slow down the economy, then they are doing just fine, because we have an anemic rate of economic growth. Mr. President, 2 or 2.3 percent economic growth is not the kind of economic growth that is going to provide the opportunity and the jobs that the American people need and deserve. The fact is, we can have a better rate of economic growth without stoking the fires of inflation. Inflation is coming down, not going up.

Let me read some quotes, lest you think it is only myself or the Senator from Iowa who believes this. The chairman of the General Electric Co., John Welch, Jr.:

> We don't see a connection between the numbers out there and what we feel in our business. There is absolutely no inflation. There is no pricing power at all.

Dana Mead, chief executive of Tenneco, who I believe is also chairman of the National Association of Manufacturers:

> I believe very strongly that the Fed should be leaning more toward growth and not be so concerned with the threat of inflation.

I think the numbers support Mr. Mead's contention.

Felix Rohatyn:

> There was a time when 2.8 percent growth would be considered a modest rate of growth. Today, it is considered dangerously robust. Most corporate leaders don't agree with this notion of dragging the anchor just as soon as the economy has wind behind it. They understand that we can sustain high growth based on muscular productivity improvements that they are generating in their own businesses.

Mr. President, this is not about idle debate about theory. This is a debate that reaches every home and every worker in this country. A century ago, we would have been debating interest rate policy from barbershops to barrooms all across this country. The Senator from New York is one of the real historians in our country and serving in this body. You read the financial history of this country and the debate surrounding the large economic issues of this country. You read in the last century that monetary policy and interest rates were a predominant political issue in America.

Over two centuries, there has been a wrestling match between those who produce in America and those who finance production in America. There has always been this wrestling match, this tension. One wants to overcome the other. It is about profits and money.

You look at these two centuries of that struggle, and you find you go a decade or two, and one side has an upper hand, those who finance production have the power and wield the power and have the upper hand; then it turns and the pendulum swings, and those who produce have the upper hand.

We are in a period in this country today where those who finance production not only have the upper hand, but have an abiding ally among those who make this country's money policy. It sounds like theory to a lot of people, but what it means is in every household at the end of every month when every American pays their bills, they are paying a tax. It has been imposed on their family by an institution that keeps interest rates higher than they can justifiably be kept in this country today.

These costs of higher interest rates will cost the American people, not $20, $50, or $100 billion, but hundreds of billions of dollars in extra costs coming out of their pockets. Credit card interest rates are higher, the prime rate is higher, business operating loans are at a higher interest rate, all because they come off the Federal funds rate.

The Federal funds rate is higher now than can be justified. There is no doubt about that. There is no real debate about that, in my judgment. They will say it is higher because they are worried about the threat of inflation.

In North Dakota, for example, North Dakotans will pay close to $400 million over the next 5 years in excess interest costs. That's $80 million a year in excess interest charges because we have those sitting on monetary policy who manage it in a way that keeps interest rates excessively high in order to restrict the rate of economic growth in our country. I fundamentally disagree with that.

I hope, in the context of having a debate about monetary policy and the Federal Reserve Board, that we can perhaps light the fuse that will result in a larger debate in this country about in whose interest are we conducting monetary policy?

We will have some people stand up in this Chamber and say that the fight against inflation is the only fight that counts. Let us evaluate that for just a moment. What has happened to inflation? Inflation has come down 5 years in a row. It now stands at 2.5 percent, and the current Chairman of the Federal Reserve Board says the 2.5 percent may be overstated by 1.5 percent. If that is the case, we have virtually no inflation in America.

In fact, we have one of the prominent economists in our country, who was born out in my part of the country, Glendive, MT, born not so far from the North Dakota side I was on, Lester Thurow, who is an economist whose views I value. He has written a chapter on the subject in a recent book that I think is interesting. He talks about this interest rate policy and the decision by the Federal Reserve Board to

fight a foe that Mr. Thurow says no longer exist.

''Beliefs,'' Mr. Thurow says, ''change more slowly than reality. Inflation is largely gone, but inflation fighting still dominates central bank policies.'' He says, every time the Chairman, Alan Greenspan, admitted that the Fed could not point to even a hint of inflation in the current numbers—he said, the Fed could not point to inflation because there was no inflation. The broadest measure of inflation, the implicit price deflator for the gross domestic product fell from 2.2 percent in 1993 to 2.1 percent in 1994. In the third quarter of 1995, it was running at the rate of six-tenths of 1 percent.

If all these factors are put together that he described in this chapter, ''The real rate of inflation, outside of the health care sector, was undoubtedly very low, perhaps even negative during the entire period when Alan Greenspan was worried about inflation. Greenspan could not see any inflation in the indexes because there was no inflation to be seen.''

I have described my interest and concerns in the construct of money policy. I hope we will have a Federal Reserve policy that at some point would countenance an honest debate, and inside the Federal Reserve Board, and perhaps come to a conclusion that we have twin economic goals in this country—stable prices and full employment. Not one goal, twin goals.

Let me turn just for a moment to the report that was issued by the Government Accounting Office, the ''Federal Reserve System, Current and Future Challenges Require Systemwide Attention.'' This is the report that the Senator from New York alluded to. I will make just a couple brief observations about it.

It moves from the issue of my disagreement with monetary policy to a couple of issues that relate to how the Fed now functions. The Senator from New York pointed out that the surplus that has been accrued down at the Federal Reserve Board is really kind of an innocent surplus.

It is at $3.7 billion surplus account accrued to meet the needs when the Fed might have a loss. Of course, the Fed has not lost money in the last 79 years, and the Fed in the next 79 years is not expected to lose money. When you are guaranteed by your operations to make money, you are not expected to lose it.

The point that we raised—the point I did not know; and I do not know whether other Senators knew it—is that this surplus, this $3.7 billion that has been squirreled away by the Federal Reserve Board, has increased by over 70 percent between 1988 and 1994, at the very time the Fed was telling everybody else, ''Tighten your belt.'' They say, ''This little rainy day fund we have we want to increase by 79 percent.'' I say: Wait a second. You have not had a loss in 79 years. You are suggesting that everyone tighten their belt. Why are you increasing your surplus down at the Fed by over 70 percent?

That is something I hope that the Banking Committee will evaluate. I did not bring the charts today because I presented them previously. I know the Senator from Iowa is also presenting them. But the charts that show the amount of expenditure at the Fed show that they are expending more and more money on employee benefits, travel and other issues.

Mr. President, I ask for 1 additional minute by unanimous consent from Senator HARKIN's time.

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

Mr. DORGAN. Just to conclude, I will not discuss it in any greater detail. But this one-of-a-kind report, which took the GAO over 2 years to complete, shows that at a time when the Federal Reserve Board was saying to everyone else, ''Tighten your belts, downsize,'' they were increasing their expenditures rather substantially.

One would say, if this is the house on the hill that operates in secret, with the shades drawn, you cannot see inside, and we finally discover what is going on inside, aside from monetary policy, and the practices inside are not in keeping with what they are counseling the rest of the Government, I think there is something wrong.

Again, I respectfully say in conclusion I am going to vote against Mr. Greenspan. It is not personal. I admire him. I think their monetary policy is wrong. I think there are very serious management practices that need to be addressed. Mr. President, I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I inquire of my distinguished friend and fellow New Yorker, is time being allocated?

Mr. D'AMATO. Mr. President, I certainly yield time to the Senator from New York. I believe he would like to make some remarks in support of Mr. Greenspan. I am wondering if the managers on the other side—if we could not agree to attempt to work out some system whereby we would yield the floor to each other. I would be happy to do that.

Mr. WELLSTONE. Mr. President, I wonder whether I could lean on the other side, and ask unanimous consent to follow the Senator from New York, and we could alternate back and forth.

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

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise in emphatic and enthusiastic support for the nomination of the Honorable Alan Greenspan to a third term as Chairman of the Board of Governors of the Federal Reserve System. He is a national treasure. He has served our Nation with principle and wisdom, and as I shall attempt to show in these brief remarks, unprecedented success.

Let me cite four principal reasons he should again be confirmed by the Senate.

The economy is now in the 64th month of an expansion that shows no signs of ending.

Unemployment for May was at 5.6 percent, and has been below 6 percent, which is roughly agreed to be full employment, for almost 2 years.

Inflation is in check, measured by the Consumer Price Index, which economists generally believe overstates inflation. Consumer prices have increased by less than 3 percent per year for the past 4 years. That could, in truth, be more like a 2 percent figure.

Finally, that renowned misery index, the sum of the unemployment rate and the inflation rate, is about 8 percent, the lowest level in a quarter century.

In the course of this debate about whether the economy could be growing faster, I believe it ought to be pointed out that 20 or 25 years ago, the figures I have just cited would have been thought unattainable. It would not have been thought within the range of possible economic outcomes, much less economic management and planning, to produce this combination of 5-year, 6-year expansions, full employment near zero inflation. This could be taught in a textbook as an ideal, and with the full and firm understanding that it would not in our lifetimes, perhaps in any lifetime, be achieved. You would measure your performance by the distance between what was ideal and what, in fact, you could do. I do not think we understand—perhaps it is part of our historical distance—how much social learning has taken place in our country and to what consequence, an area which was thought to be absolutely essential to our economic, socio-political well-being, which is employment.

I speak as someone who entered the Kennedy administration in 1961. I was an Assistant Secretary of Labor for Policy Planning. I know what our highest expectations were in those days. I say to you on this floor they never would have contemplated what we have achieved in this last 10 years or so of American policy.

Mr. President, on the front page of the Washington Post this morning there is a story which may be the first such in the history of this Nation. The headline says: ''Labor Shortages May Be Slowing Economy.'' Referring to the latest surveys of regional economic conditions by Federal Reserve Banks, the subheading states: ''Fed Finds Firms in Some Regions Having a Hard Time Filling Jobs.''

The article begins:

> Signing bonuses are nothing new for basketball players and Wall Street traders. But hamburger flippers?
>
> Some fast-food restaurants in St. Louis are now paying as much as $250 in signing bonuses for new hires, according to the latest Federal Reserve survey of regional economic conditions released yesterday.
>
> Companies all over the country are going to extra lengths to attract workers, the Fed

reports, in the latest sign that the pool of unemployed workers has shrunk to the point that it is limiting economic growth. Unemployment nationally has hovered around 5.5 percent for the past 18 months and in more than half the States this spring it is below 5 percent.

I interpolate, Mr. President, that in Madison, WI, it is now at 1.8 percent. I say that is statistically almost impossible, but that is a fact.

A Minneapolis company is offering a chance at free vacations in Las Vegas for employees who recruit new hires. Temporary employment agencies in Chicago say more employers are snaring their workers for permanent positions. Banks in Salt Lake City are having a hard time finding tellers.

According to the Minneapolis Federal Reserve Bank, a growing number of firms wanting to hire skilled workers have stopped advertising because they got no responses. ''Perhaps we should call them 'discouraged employers,' one Minnesota state official quipped.

Again, Mr. President, 30 years ago, 40 years ago, one of the continued concerns, a legitimate one, on the part of a person working in the field of labor statistics was something called hidden unemployment, which referred to workers who had given up looking for work. By definition, you are not in the work force unless you are working or looking for work. These discouraged workers had dropped out of the work force, but represented unemployment, even so.

Now, we have a phrase ''discouraged employers.'' I am not saying the world has transformed itself, but I am saying in a lifetime in this area, this field, I have never heard the term ''discouraged employer'' before.

The article goes on to say that Minnesota is now one of the 10 States with a jobless rate of 3.9 percent or less. In the Kennedy administration, Mr. President, in the 3d year, the report of the Council on Economic Advisers made a bold and unprecedented assertion of optimism, in an optimistic age. They said, ''We call for a national goal of an unemployment rate of 4 percent.'' It was not going to happen in our lifetimes, but that is what goals are for. Now here it is: more than half the States are under 5 percent, and 10 States are under 4 percent.

According to the Minneapolis Fed, businesses are now looking more at whether people will be available to work at a new plant, than at whether the company can get incentives or tax breaks to build there.

Mr. President, a century and more of State governments, and local governments, offering tax abatements, cash incentives, to bring the firms into their high unemployment areas and, suddenly we are told, ''We do not need your tax abatements. Do you have any workers?''

I quote an official from Minneapolis: ''This parallels the dilemma that eastern South Dakota has faced for some time. It is difficult to attract new industry when labor seems short.''

Mr. President, I simply want to say, sir, if I may repeat, that in a lifetime of involvement with these matters I have never read such data, or heard such comments. It is a wonderful play on usage—the idea of discouraged employers who cannot find workers. And so, is it inappropriate to attribute these outcomes, in significant measure, to the wisdom and the practical knowledge with which Alan Greenspan has conducted his stewardship of our Nation's monetary policies over the last 9 years? That is not to say—and he would certainly so insist—that he is solely responsible for the performance of the economy in this period.

Without wishing to introduce anything like a partisan note, I still say that much credit is owing to the President, President Clinton, and the 103rd Congress, which enacted a 5-year, $500 billion deficit reduction in the summer of 1993—$600 billion, if you include the effects of the decline in interest rates that came about in the aftermath of the 1993 deficit reduction package.

Alan Greenspan himself has testified that there was an inflation premium on interest rates. With the anxiety—just a touch, but sufficient—of a country going into debt as fast as we would do, could it be that we would someday monetize the debt, which is to say, through inflation, wipe it out? Well, that costs you something in interest rates. When it appeared that we were going in a different and better direction, interest rates came down—bringing additional deficit reduction, and all the advantages of lower interest rates across the economy.

Not since the Kennedy–Johnson administrations, in which we had the longest peacetime expansion of 106 months, have monetary and fiscal policy been so well coordinated. We seem to have learned to manage affairs that were previously thought beyond our reach. Yet rather than celebrating, some of us are complaining that we need to accelerate economic growth. And no one can say that slightly faster growth will lead to higher inflation. Almost certainly, that has to be a concern. Ultimately, if it should, there will be an end to the expansion. You will lose more production in a downturn than ever you will have lost by not speeding to the point where you produce a downturn.

Last week, the distinguished junior Senator from Iowa stated that ''* * * the bottomline is that Chairman Greenspan has this long history of focusing solely on inflation to such an extent that all focus on expanding our economy has been lost.'' My good friend added, ''We have a mindset at the Fed that 2 percent growth is acceptable, that the economy cannot grow any faster—maybe 2.5, but that is getting close to the limits—but that we cannot have the 3 percent growth of the 1970's or the 4 percent growth of the 1960's. That is the mindset of the Fed.'' Might I say that, in the judgment of this Senator—and it will be for the Senate itself to make a collective judgment—the issue is not whether 2.5 percent growth is acceptable, but rather, is any higher rate possible?

There are realities in the world of economics, and there are constraints. Economists of every school, every range of opinion, will agree that growth and capacity or potential of the economy is determined by two basic factors: increases in productivity, output per worker hour; and growth in the labor force.

In the February 1996 Economic Report of the President, the Council of Economic Advisers estimated that for the next several years, productivity growth would be about 1.2 percent per year, and the labor force would grow at about 1.1 percent. You put those two numbers together, and you have about a 2.3 percent possible economic growth for the year.

Do not underestimate 2.3 percent, Mr. President. It means that your total economic product doubles every 30 years or so—an experience that is new to mankind. It may sound low, but if you keep it up, you double your wealth every generation. That is what we are now doing. It is recession, and worse, that puts an end to economic growth, if you think in terms of a generation.

The Senator from Iowa correctly noted last week that, in the 1960's, the economy grew at 4 percent a year, and, indeed, it did. But, Mr. President, at that time, the labor force was increasing at 2 percent a year, and productivity was rising at about 2 percent. So you have that 4 percent potential.

That labor force increases at absolute constraint. We have reached about the limit of labor force participation. It used to be a much lower rate than it is now, and the consequence of women entering the work force in larger numbers has kept us going. But we are now at a very small rate of increase. This is a demographic fact—who was born 20 years ago? You cannot change it through manipulating interest rates or demand or supply. The supply is fixed. Yet, our performance in this situation is extraordinary.

We are actually at full employment. We have a period of economic growth, now in its sixth year of sustained economic growth. We have done so without any of the intrusive Federal Governmental measures that have been associated with response to emergencies in the past.

I do not want to hold the floor longer than this. I have tried to make two points, Mr. President. With Dr. Alan Greenspan as Chairman of the Federal Reserve, we have entered a period for which many persons may properly claim a measure of responsibility, but for which he is uniquely held responsible.

We have entered a period of unprecedented growth—full employment, price stability and year after year after year of growth. What more would be asked? Can we not take some satisfaction in our performance as a country, as a society? We have learned to do this.

We have reached the point, Mr. President, which as a sometime Assistant

Secretary of Labor I certainly never thought we would see, and I do not think anybody in Washington 35 years ago would have ever seen, where on the front page of the Washington Post we learn that labor shortages may be slowing the economy—not Alan Greenspan, but, rather, the extraordinary success of accumulated understandings and practices have brought us to the point where there is a shortage of workers, an idea that we would hardly have entertained. And that wonderful phrase —I suppose you have to have been around the subject long enough to appreciate the irony—''discouraged employers.'' The idea that in eastern North Dakota, as cited here and elsewhere around the country, employers looking for new plant sites are no longer looking for tax breaks and other incentives. They say, ''Are there enough workers for the plant?''

Well, can we not, in the midst of a Presidential election and a lot of distress on all sides, recognize what good fortune we have had as a nation and how much Alan Greenspan has contributed to that good fortune?

I thank the Chair for allowing me this extensive time. I thank my friend, the distinguished chairman of the Banking Committee, for indulging me. I hope he feels I have not gone on too long. But I do say, sir, I have gone on about an event that has never happened before and is worth noting.

I finally ask unanimous consent that the article from the Washington Post be printed in the RECORD.

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

LABOR SHORTAGES MAY BE SLOWING ECONOMY

(By John M. Berry)

Signing bonuses are nothing new for basketball players and Wall Street traders. But hamburger flippers?

Some fast-food restaurants in St. Louis are now paying as much as $250 in signing bonuses for new hires, according to the latest Federal Reserve survey of regional economic conditions released yesterday.

Companies all over the country are going to extra lengths to attract workers, the Fed reports, in the latest sign that the pool of unemployed workers has shrunk to the point that it is limiting economic growth. Unemployment nationally has hovered around 5.5 percent for the past 18 months and in more than half the states this spring it is below 5 percent.

A Minneapolis company is offering a chance at free vacations in Las Vegas for employees who recruit new hires. Temporary employment agencies in Chicago say more employers are snaring their workers for permanent positions. Banks in Salt Lake City are having a hard time finding tellers.

According to the Minneapolis Federal Reserve Bank, a growing number of firms wanting to hire skilled workers have stopped advertising because they got no responses. ''Perhaps we should call them 'discouraged employers,''' one Minnesota state official quipped.

In Minnesota, one of 10 states with a jobless rate of 3.9 percent or less, economic development officials say that businesses are looking more at whether people will be available to work at a new plant than at whether the company can get incentives or tax breaks to build there, according to the Minneapolis Fed. ''This parallels the dilemma that eastern South Dakota has faced for some time: It is difficult to attract new industry when labor seems short,'' the report said.

Many Fed officials have expressed surprise that, with the unemployment rate so low, there have not been more problems on the inflation front, with wages rising to attract workers. But the Fed's latest survey turned up only scattered instances in which tight labor markets were causing wages overall to increase rapidly.

Economists and government policy makers aren't exactly sure why labor costs haven't begun to rise more rapidly in response to the nation's low unemployment rate. Some analysts say the best explanation is twofold: Heightened concern among workers about job security in a world of corporate downsizing has made them squeamish about asking for raises. That's coupled with strong resistance by employers to raise overall wages because they know that in a low-inflation economy, it is difficult to raise prices to cover higher costs.

So even though some companies are having to increase their offers of starting wages to get workers, in the aggregate, pay hikes are still modest by historic standards.

And companies aren't going begging for workers everywhere in the country. Indeed, in places such as the District, New York and New Jersey, a southern tier of states stretching from Mississippi west through Texas to New Mexico and most important, California, finding workers isn't as tough as it is elsewhere. Joblessness in California, whose recovery has lagged that of the rest of the nation, is 7.5 percent. Only West Virginia at 7.7 percent and the District at 8.4 percent have higher rates.

To many economists, this is a picture of a nation essentially at full employment. That means that going forward, the economy can grow only as fast as its capacity to produce goods and services grows.

How fast that growth can occur is the subject of much debate these days. Indeed. Sen. Tom Harkin (D–Iowa) delayed the full Senate's vote to confirm Fed Chairman Alan Greenspan to a third term until today so he could hold a public discussion the subject. Harkin believes the economy could grow much faster if Greenspan would only lower interest rates and stop worrying so much about inflation. ''A turtle makes progress only when it sticks its neck out, even though that is when it is most vulnerable,'' Harkin said in an interview. He said that the Fed cannot be sure the jobless rate can't be pushed down to 5 percent or 4.5 percent without making inflation worse.

Few people in official Washington agree with Harkin, though. The Clinton administration, the Congressional Budget Office and many private economists all peg the economy's capacity to grow at a little above 2 percent.

According to White House economist Martin Baily, the administration's estimate of 2.3 percent a year ''is based on supply-side factors,'' meaning labor supply and productivity.

If the economy is at full employment, additional labor is largely a matter of how fast the population is growing, including immigrants. When the post-World War II baby boomers were entering the work force in the 1960s and 1970s, labor supply was increasing roughly 2 percent a year.

Now it is increasing only about 1 percent a year. All other things equal, that difference means the economy's capacity to grow is a full percentage point lower than it used to be.

And gains in productivity slowed sharply after 1973 for reasons economists still can't explain fully. But over the past year, output per hour worked at private nonfarm businesses rose 1.3 percent, exactly the pace the administration foresees for coming years.

At a recent conference on economic growth sponsored by the Boston Federal Reserve Bank, Baily said that Fed policy doesn't directly affect either of these determinants of growth. ''I don't think monetary policy in the United States is seen as a significant restraint on economic growth in the next few years,'' Baily told the conference.

Thomas Hoenig, president of the Kansas City Federal Reserve Bank, said in a recent interview that in his district, where the average unemployment rate is not much above 4 percent, business executives aren't complaining about Fed policy.

The complaint Hoenig hears most frequently, he said, is, ''I can't get enough of the type of help I need. I have heard no one say, I could grow faster if you lowered interest rates.''

The PRESIDING OFFICER. Who yields time?

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. I know my colleagues on the other side want to be recognized, but I am going to make a request and ask that those who speak on behalf of Mr. Greenspan—I think we have about 31 minutes.

The PRESIDING OFFICER. Thirty-seven minutes.

Mr. D'AMATO. I ask that they hold their remarks down to 5 minutes, if they could. I would be deeply appreciative, because there are a number who have indicated they would like to speak, and so we have a limited period of time. When we do yield on this side, I will yield for the purpose of recognizing those who would speak for up to 5 minutes.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is to be recognized if that time is yielded by the Senator from Iowa.

Mr. HARKIN. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Fifty-six minutes.

Mr. HARKIN. Mr. President, I ask unanimous consent that I have about 3 minutes to respond to the Senator from New York and that then the Senator from Minnesota be recognized for 15 minutes.

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

Mr. HARKIN. Mr. President, the senior Senator from New York, Mr. MOYNIHAN, talked that if you want growth, you have to have productivity growth and labor growth. He correctly pointed out that right now we have 1.2 percent productivity growth and about 1.1 percent labor growth. That is about 2.3 percent growth per year and there is nothing you can do about it. He correctly pointed out that in the 1960's, as I said last week, we had 4 percent growth, but then we had about 2 percent growth in the labor force and about a 2-percent growth in productivity.

Let me respond to my friend from New York by saying that is the chicken-and-egg argument. Is this something that we have to accept, that productivity growth is only 1.2 percent? I know some have said that is what it is going to be, but based on what? And labor growth of 1.1 percent per year, based on what?

I would refer my friend to an article that appeared in the June 12 Wall Street Journal talking about the million missing men, that there are studies now, they said, that when the Labor Department reported Friday a jobless rate of 5.6 percent and 7.4 million unemployed people, an additional 1 million were not included; many of them are sitting at home too discouraged to hunt for a job. They can be found in all 50 States. Actually, some economists, such as Lester Thurow at MIT, say there may be far more than that out there in the labor force.

Therefore, there is a possibility, I would submit, that labor growth can exceed 1.1 percent per year. That is, if we get off of this old idea the Fed has of NAIRU, the nonaccelerating inflation rate of unemployment, in which it is felt that if we reduce unemployment below a certain level, which they first assumed to be 6, now they are saying may be 5.5 percent, that somehow inflation will not just increase but will accelerate. And, that premptive strikes are needed to block excessive growth.

So I say to my friend from New York that I believe we can have a higher rate of growth in the labor force because there are a lot of people out there not even counted. There are a lot of people out there who are underemployed. There are a lot of women out there who are underemployed at minimum wage part time jobs who could be employed better. So I believe that the labor force can, indeed, grow much faster.

Secondly, in terms of productivity growth, I do not accept that the American work force has to be stuck at 1.2 percent productivity growth. I say that knowing full well we are still the leader in the world in productivity. Our work force is still the leader. We have more output per hours worked than any other country in the world.

Does that mean we can just sit there and say that is OK? Productivity has to do a lot with what is happening in that work force out there right now. There are a lot of workers out there now who have been discouraged because of downsizing. They are discouraged because of wage stagnation. I see it in my own family, my relatives, who are working at manufacturing jobs. They are discouraged, and so their output could be better. Their output per hour worked could be more if in fact they thought their wages were going to go up, if they thought they were going to have a better stake in our economy. We can have more efficient methods to produce goods by the way we structure companies and through technology.

I predict that the productivity growth in America could boom a lot more than what it is. That yields then to more labor growth, more productivity growth, which leads to higher growth in our economy. Those two things will not happen as long as the Federal Reserve continues to adhere to this NAIRU concept and as long as the Fed, every time growth starts to go up, puts on the brakes.

I respect very much the insight of my friend from New York. My premise, and I believe the premise of those of us who are taking the opposite side, is that we can, indeed, grow faster in this country and we can grow faster because we have an untapped labor source and our productivity can, indeed, increase but if and only if the Federal Reserve takes the brakes off and lowers the interest rates in this country.

I thank the Chair. I then yield 15 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. I thank the Chair. I am going to actually pick up on some points that have been made by my colleague from New York, for whom I have deep respect, and by my colleague from Iowa. First of all, let me thank Senator HARKIN from Iowa for doing something very important as a Senator. He has insisted that at least we have a debate about economic policy, that we have a debate about monetary policy, that we not just go forward and confirm someone to be Chairman of the Federal Reserve Board without any discussion or debate. I do not think this debate is at all personal. I think each and every one of us has gone out of our way to say that we hold the Chairman in high personal regard. But this is a debate about economic policy. My colleague has taken a lot of criticism for insisting that there be a debate. That is all he has ever asked for. I thank him for doing that. My colleague from North Dakota earlier made an important point, which is, it used to be, back in the 1870's, 1880's, 1890's, and the early part of this century, that there was an important debate about monetary policy. It was not conspiratorial, it was important, because people know that real interest rates and monetary policy can make or break communities' lives. They can make or break families' lives. They have a huge impact, a huge impact on small business people, a huge impact on farmers, a huge impact on whether people can afford to buy a home, a huge impact on whether or not people can afford to take out a loan for their son or their daughter to go on to higher education.

This is a fundamentally important debate we are having. It is not hate; it is debate. I think it is an extremely important question that my colleague has been raising.

When I listen to this discussion, I have to smile, because I do think to a certain extent some of my colleagues, either by accident or by design, are being a bit ahistorical.

Let me also, teacher to teacher, professor to professor, respond to a little bit of what Senator MOYNIHAN said. He never, of course, leaves out a historical analysis, and people in good faith can reach very different conclusions, but I would like to go back to the 1946 Employment Act in our country which called for the Federal Reserve Board to be a part of this and to keep inflation down, but also with the mandate of achieving maximum employment. That was an important piece of legislation.

There was a classic book written called ''Congress Makes a Law,'' by Stephen K. Bailey, all about the Murray–Wagner Act that finally passed in 1946. Full employment, the idea that people should be able to find work, decent wages under civilized working conditions, was the No. 1 issue for the country. The Depression was fresh in everybody's memory, and World War II, in fact, pumped up the economy, and people found it to be a pleasant experience to be able to work. Women were in the work force. Men and women of color were also finding jobs. So after the war was over, the No. 1 challenge for our country was, how do you have an economy that generates jobs for people that are living-wage jobs? That is what it was all about.

I smile when I hear some of the analyses by some economists—not by all—that, as a matter of fact, what we have here is a situation of full employment, because the unemployment rate is 5.6 percent. Therefore, we have full employment.

People in Minnesota and around the country have to just be scratching their heads and wondering what is going on here. Ten blocks from here, why do we not go out and ask people whether or not they think we have full employment. Just ask them. This does not measure subemployment, it does not measure the 1 million discouraged workers, it does not measure people who are working part time because they cannot work full time.

Do you know what else it does not measure? It does not measure all the people who have jobs but not jobs they can count on. It does not measure all the working poor people, who work 52 weeks a year, 40-hours-plus a week, and still make only poverty-level wages.

So, when we hear all these macro figures about how we cannot afford to have unemployment below 5.5 percent, otherwise we will set off this inflationary cycle, this is the old ''Phillips curve'' argument. It has been discredited over and over again. It is not the experience in our own country. We have had no evidence that we are about to see a cycle of inflation.

What we have instead is a policy that works great for bondholders, great for Wall Street, but does not work well for families in our country. Every time we are about to have a real recovery and every time small businesses are about to have a break or every time farmers are about to have a break or every time homeowners are about to have a break or every time some of the businesses in our country which are interest-sensitive businesses are about to

have a break and every time we are about to generate more jobs that people can count on, we have this policy, which I think is outdated and which I think, in fact, helps some folks at the top but puts a squeeze on the vast majority of people in this country. That is what this debate is all about.

When we get to this policy of maintaining and insisting that 2 percent growth is all we can do as a Nation, that we have to always cool down the economy, that we have to have price stability, the question that needs to be asked on the floor of the Senate is the question people ask in cafes in our country: Who exactly is deciding? Who exactly is benefiting? And who is being asked to sacrifice? Who decides that we can only afford economic growth of 2 percent a year? Who decides that interest rates will be kept at this high level and not reduced? And whose farm goes under the auctioneer's hammer? Who goes without a job? Who goes without a job that pays a decent wage? Who goes without a job working under civilized working conditions? Who is not able to pay for higher education for their children? That is what it is all about.

I suggest to my colleagues that this argument that we now have about full employment—my God, just tour the cities. Go to Hartford. Go to Minneapolis. I heard statistics about my State. Yes, the official unemployment level is down, but that does not measure subemployment. I will repeat that. Not the discouraged workers, not people who are part-time workers, and not people who are working but working at jobs they cannot count on—that is what this is all about: living-wage jobs. I can tell you that a much too significant percentage of the population all across this country, including Minnesota, is struggling to make ends meet.

This effort to always cool the economy down, fight this bogeyman of inflation and insist on this stringent monetary policy has made it very difficult for families to do well. That is what this debate is all about.

My colleague from New York talked about the piece that he read today in the Washington Post about discouraged employers. It is interesting to hear about discouraged employers, but I suggest to colleagues, Democrats and Republicans alike, that is only one piece of the story. That is true.

I meet with businesses owners in Minnesota who say the same thing. I meet with small businesses owners and a good many of them say to me, ''Paul, we are not worried about the minimum wage raise, but do you know what? We are technology companies and we cannot find skilled workers.''

That is true. That is one piece of it. But I also suggest to my colleagues, it is only one small piece of it. The other piece has to do with this effort to keep economic growth down, to argue we can only afford 2 percent a year growth in our economy, to constantly, therefore, make this an economy where we have a recovery but a recovery where people are not able to find the jobs at decent wages.

Mr. HARKIN. Will the Senator yield for a second?

Mr. WELLSTONE. I will be pleased to.

Mr. HARKIN. I thank my colleague for making that point. Yes, there was a story in the paper this morning about discouraged employers trying to find certain specific people to work. There is another story on the front page of the New York Times, also on the front page of the USA Today: ''Income Disparity Between Poorest and Richest Rises. Trend in U.S. Confirmed. New Report by Census Bureau Shows Gap Is at Its Widest Since World War II.'' That is another part of this debate.

Mr. WELLSTONE. Absolutely.

Mr. HARKIN. Because any time you have high interest rates, think about it as a transfer of wealth from the middle class to the richest class. Because, after all, who borrows money? It is our working families. They borrow money to buy a car, they borrow money to buy a house, they borrow money to send their kids to school, and when they pay these exorbitantly high interest rates—and I will get to that in my remarks later—that is a hidden tax on our working families.

So I say people ought to look at this and start asking questions about our monetary policy and how that affects the disparity between the rich and poor in our country.

I thank the Senator from Minnesota for pointing that out.

Mr. WELLSTONE. Mr. President, my colleague essentially made what was my second point. One had to do with the Employment Act of 1946 and what is the mandate of the Federal Reserve Board and how this monetary policy has, in fact, made it impossible for our country to achieve what should be the No. 1 domestic priority, which is an economy that produces jobs that people can count on, jobs at decent wages, living-wage jobs under civilized working conditions where men and women can support their families.

This is the tradeoff. Some people are very generous with other people's suffering. It is great for bond holders, great for Wall Street. It is not great for Main Street. It is not great for wage earners. It is not great for farmers. It is not great for small business people. It is not great for homeowners. It is not great for people trying to afford a higher education for their children. And the second point is precisely this: there is a rather significant correlation between the tight monetary policy and the lopsided economy we have. That is what we have right now. We ought to be focusing on how we can raise the standard of living of middle-class and working families in our country.

I suggest to you one of the reasons we have not been able to do that, one of the reasons that the bottom 60 percent has been standing still and even losing ground over the past 20 years-plus is because of this monetary policy. It is time we debate it and, I must say, that I believe that this policy has been profoundly mistaken with very harsh consequences for the vast majority of working people in this country.

Mortimer Zuckerman, in an editorial in U.S. News & World Report, wrote:

> Alan Greenspan's ''dear money'' leadership has caused the Fed to exert a monetary choke hold on one of the weakest economic recoveries since World War II at the cost of billions of dollars in lost output and tens of thousands of uncreated jobs.

That is the point I was trying to make.

The renowned economist, James Galbraith, criticizes Greenspan this way:

> He is pathologically adverse to full employment, pathologically overanxious about inflation. His policies are the reasons, for the most part, that unemployment has stayed high and that wages have not raised in the past decade, and he's determined to keep things that way.

Again, that is my point about this whole issue of good jobs and good wages.

Finally, Felix Rohatyn writes:

> Every major American social and economic problem requires stronger economic growth for its solution. This includes improvements in public education, as well as increasing private capital investment and savings, balancing the budget and maintaining a social safety net, improving the economic conditions in our big cities and reducing racial policies as a result.

This, again, is tied in to the whole question of monetary policy. Thomas Palley, of the New School for Social Research, writes:

> Greenspan's ''soft landing'' has been perfect for Wall Street, keeping the lid on wages while keeping consumer demand strong enough to earn massive profits.

Mr. President, I think Felix Rohatyn is right on the mark. I maintain that this debate is not about one person. This is a debate about monetary policy that should be a front-burner issue in the United States of America. This is policy that can make or break people's lives; that can make or break small businesses; can make or break farmers, I say to my colleague from North Dakota; can make or break middle-class families; can make or break working people.

The key to decent jobs at decent wages, the key to investment in our cities, the key to economic opportunities, the key to improving the standard of living for the vast majority of people in this country is a combination of a number of different things. I suggest that one critical piece is monetary policy.

I believe that Chairman Greenspan's policies have, again, been profoundly mistaken and I think have had serious consequences for the vast majority of people in this country. I would rather stand for Main Street interests, I would rather be on the side of small business people, I would rather be on the side of working families, I would rather be on the side of middle-income Americans, I would rather be on the

side of growing this economy, I would rather be on the side of jobs with decent wages, I would rather be on the side of economic fairness, I would rather be on the side of economic opportunity and, for those reasons, I will vote ''no.''

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, I do not see the distinguished Senator from New York, but I believe pursuant to an earlier agreement, I am to be recognized after Senator WELLSTONE's remarks. I understand we are operating under a 5-minute constraint.

Mr. President, let me paraphrase, if I can. First of all, let me say to my colleague from Iowa, I, too, appreciate the fact he has raised this issue. I think it is important we have a debate and certainly a debate about monetary policy is not inappropriate at all.

I think we will be making a tragic mistake, I will say this morning, if we do not confirm the nomination of Alan Greenspan and, I will add, Alice Rivlin and Laurence Meyer as well. We all are very familiar with Alice Rivlin, since she's currently Director of the Office of Management and Budget. She was also the first Director of the Congressional Budget Office and is very well known to many Members. I think she will do a wonderful job.

Laurence Meyer, a highly respected economist, I think will do a remarkably fine job as well.

I believe that the President has done an excellent job in selecting these three nominees and he should be commended for presenting the Senate with such laudable choices for service on the Fed Board.

I will not disguise, Mr. President, the fact that I was a strong advocate of Felix Rohatyn to be Vice Chairman of the Federal Reserve Board. That nomination, unfortunately, did not get much of a hearing in the Senate, despite the President's support for him. I thought Felix's addition to the Board would have created a wonderful debate—the kind of debate, in fact, we are having to some degree this morning—within the Federal Reserve Board about growth.

The absence of Felix Rohatyn does not make that debate impossible, but I felt his addition to the Board would have been healthy for the country to have a good discussion about how you achieve a higher growth rate without also fanning the flames of inflation.

Obviously, that did not occur. I have great respect for Felix Rohatyn, and I believe he can still make a significant contribution. I urge my colleagues to follow his writings on growth and how we might achieve it. I point out, as he has said, and this is something with which I totally agree, that while monetary policy obviously has a lot to do with growth, tax policy also is a major element of our growth rates. Investing in the infrastructure of this country has a great deal to do with whether we achieve growth. And, clearly, education and training has a lot to do with whether or not we can grow properly. There is not just one issue. Monetary policy is important, but there are other major elements that contribute to our ability to grow.

Let me just say, Mr. President, to those who are focusing on the interest rate debate, and I certainly have been as critical as others when the interest rates have gone up. I did not think in several instances it was warranted over the last several years. But it is undeniable as well that we have created more than 10 million new jobs over the last number of years in this country, an unprecedented growth rate in employment. We are witnessing the lowest misery index rate in 28 years. That is a combination of inflation and unemployment.

I remember very well what it was like back in the late seventies—you want to talk about a tax; inflation is a tremendous tax on people—when it was 20 percent inflation rates. You talk about jobs and middle-income people and homes, when you have staggering inflation rates, it is crippling to people.

I am a strong advocate that we can grow more than 2 or 2.5 percent. Frankly, if we just grow two-tenths of a percentage point more, we would just about wipe out the deficit—two-tenths of a percentage point and we would just about wipe out the deficit.

But I am also very conscious of the fact that it is relatively easy for me as a Member of Congress to be able to advocate that, but also understanding when I advocate certain monetary policies, there can be inflationary implications to it. So I have to be very aware of that as I make those decisions, if I am sitting on the Federal Reserve Board.

So while I get frustrated and I get angry from time to time, we set up a system in this country to insulate, if you will, the Federal Reserve from the vagaries of day-to-day emotions of the country when it comes to these policies. Rather than setting them on a daily basis where we could fluctuate back and forth, we provide some stability to it, so that there is an opportunity for these decisions to be able to work themselves out and then determine the full, broad implications of them.

So while I want to see us grow more—and I think there are things that can be done, such as encouraging savings in the country and not rewarding debt—these stories we have over the last several days of the highest rates of consumer debt in a number of years, I think they are primarily due to the fact that we reward debt, we encourage it, we allow you to deduct it from your taxes. But if you save in this country, you do not get a reward at all.

I encourage all my colleagues to look at a proposal by Senator DOMENICI and Senator NUNN that would contribute toward a tax policy that would contribute significantly toward our savings rate. As Senator MOYNIHAN, the ranking member of the Finance Committee, pointed out, it is fiscal policy as well.

This is not a partisan policy. But the fact of the matter is, we have had 3½ years of consecutive deficit reduction. It is the first time since the Truman administration that has occurred. The size of the Federal work force is coming down. The Federal bureaucracy and the regulations are being reduced. As a result, that is contributing, I think, to the reaction in the markets. That, plus monetary policy, have given us this period of tremendous stability, significant growth, and I think creating new opportunities.

My State, I will tell you quickly, has not been one of those that has benefited from all this in the short term. We are going through the pains of the end of the cold war in a State that is dependent upon defense contract work. We had a tremendous problem with real estate in the Northeast in the mid-1980's. The recession and the credit crunch dealt us a significant blow.

So I know, just when you are talking about the States that have felt the kind of recovery that is being talked about today, my State is not one of them. Connecticut has not been one. We think that will change in the coming years, as we begin to make the transition to an economy not based as heavily as it has been on defense contract work.

But, nonetheless, I happen to believe that a steady, reliable hand here makes some sense. So, Mr. President, while I think it is extremely important for us to have this debate and to discuss monetary policy, I, for one, would like to see us do away with the geographical requirements to serve on the Fed. I think the term of the Fed Chairman ought to coincide with the Presidential term, something my colleague from Iowa has recommended over the years. Those are suggestions that I think are worth debating and, hopefully, adopting here.

But on the fundamental question of whether Alan Greenspan has done a good job at the Fed, despite my disagreements from time to time, I think the strong bipartisan answer ought to be a strong, resounding yes. For those reasons, I will vote for confirmation.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise to support the nomination of Alan Greenspan to be Chairman of the Federal Reserve Board. As you can see, this appointment has strong bipartisan support. More than any other appointment that the President will make, this one must foster stability—in our markets, on Wall Street, and on Main Street. That is why the reappointment of Chairman Alan Greenspan is so important.

Mr. President, as my friend and colleague from Minnesota, Mr.

WELLSTONE, has just noted, stability on Wall Street has a lot to do with stability on Main Street. Let me show you a chart that shows the stabilizing impact Chairman Greenspan has had on the markets. These are conventional mortgage interest rates, which are the rates working families pay when they purchase a home. As you can see, rates were gyrating from high to low and back again when Chairman Greenspan took office. Yet soon after becoming Chairman, these rates went from wild fluctuations to the smooth, lower mortgage interest rates we now have.

Let us next look at the inflation rate in consumer prices. Again, directly following the beginning of Chairman Greenspan's term you begin to see a lower, less fluctuating inflation rate and therefore lower, more stable consumer prices. What could be more important to Main Street than stable, low consumer prices and stable, low mortgage rates? This is what affects our daily lives in America as much anything else.

Chairman Greenspan's term has shown us the value of low inflation accompanied by predictability and stability. We no longer have a gold standard, but we do have something I would call ''The Greenspan Standard.'' That standard results in low inflation, low interest rates, strong financial markets and, contrary to the arguments of his critics, continued low unemployment.

He is a proven, independent, steady hand at the helm. Everything we are speaking about today says one thing—a steady hand at the wheel. That might be the most important thing we can ask from the Chairman of the Federal Reserve Board.

Regardless of the President's policies, we should all agree that the Chairman of the Federal Reserve Board must be independent. Regardless of political comings and goings in Washington, we need someone who will protect one of the most important indicators of the economic strength of this country. That is the U.S. currency, and that is what Chairman Greenspan has done.

He has resisted pressures to pursue one policy or another for short-term political gain. He has kept his eye on the financial horizon. He continues to speak out for a balanced budget. He is holding down inflation while preserving GDP growth. Everyone has confidence that he can enhance the stability and predictability of the U.S. dollar.

Additionally, it is important for the Chairman of the Federal Reserve to understand crisis management, to foresee economic troubles on the horizon. We must have a Fed Chairman who can sense economic trouble before it happens and act decisively to keep problems from becoming disasters.

That has been one of Alan Greenspan's most important responsibilities at the Fed. People sometimes joke about predicting the weather or predicting the economy because no one can do it perfectly. That is why we need someone like Chairman Greenspan. Since there is no economic crystal ball, his time-tested experience and expertise helps him appreciate the difference between short-term conditions and long-term trends—and thus act accordingly.

If you look at his record, one of the most telling attributes of ''The Greenspan Standard'' has been his ability to anticipate what could have become major disasters but, because of his steady hand, did not.

For instance, the stock market crash of 1987 did not lead to a recession. That is a phenomenal achievement. It was because we had an experienced, steady Fed Chairman. When that crash came, we could have barreled into a recession. But he was there to cautiously and correctly oversee our Nation's monetary policy.

What about the failures in the thrift industry in the late 1980's? That could have led to the collapse of our entire banking system. But it did not, due in large part to the confidence our Nation had in Fed Chairman Alan Greenspan. He is a proven crisis manager and has always been a steady hand at the wheel.

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

Mrs. HUTCHISON. Mr. President, I will end by saying there is no other person in America who has the confidence of elected officials and economic experts, of Wall Street and Main Street, who can anticipate monetary problems before they reach crisis stage. There is no one else who can measure up to ''The Greenspan Standard.'' For these reasons, I urge the Senate's support. Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have?

The PRESIDING OFFICER. Thirty-four minutes. The Senator from New York has 23 minutes.

Mr. HARKIN. Mr. President, I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I want to thank the Senator from Iowa for this time. I first want to commend the Senator from Iowa for triggering this debate and initiating this discussion.

We have two elements that contribute to economic policy in this country: Fiscal policy, that is run by the Congress and the President of the United States, and monetary policy, that is governed by the Federal Reserve Board. It is this combination of fiscal and monetary policy that determines the health of the U.S. economy.

Mr. President, when Alan Greenspan was first nominated and the first confirmation vote was held on the floor of this Senate, I was one of two votes in opposition at that time. I was in opposition because I believed Mr. Greenspan's entire record reflected a view that he favored a high interest rate policy.

Mr. President, this has nothing to do with personalities. I personally admire Mr. Greenspan. I find him to be an engaging individual and have enjoyed visiting with him, but I profoundly disagree with his monetary policy of the United States.

His monetary views have been confirmed by his actions as head of the Federal Reserve Board. What could be more clear? In 1994 and 1995, he raised interest rates seven times in a row. Effectively doubling interest rates during that period, or nearly doubling them. He did this based on a threat of inflation.

Mr. President, he was fighting yesterday's war. He was fighting yesterday's battle. He did profound damage to the economy of the United States.

Mr. President, there was no evidence of inflation in 1994 and 1995. As Mr. Greenspan, time after time, led the Federal Reserve Board in a sequence of actions to raise interest rates and, as I say, nearly doubled them.

What was this effect on the U.S. economy? The effect was to take the growth out of this economy, to take the job generation that was moving along at a healthy level, and dramatically reduce it.

Mr. President, this was a profound mistake. History will record that Mr. Greenspan was dead wrong—dead wrong. He is of the old, static view. The old, tired, view that if you do not raise interest rates as jobs are starting to be created, inflation will be kicked off. The problem with that view is the world economy has changed. It has profoundly changed what policymakers in this country think ought to be done.

Mr. President, what could be more clear—we have moved below 6 percent unemployment in this country. That level has traditionally been viewed as the level at which inflation would be triggered. There is no inflation. There was no inflation in 1994 and 1995 when Mr. Greenspan moved to raise interest rates.

Look at the chart of the Senator from Iowa. It shows clearly, in 1994, interest rates were 3 percent; 1995, they doubled to 6 percent. Going back to that time, was there any evidence of inflation anywhere? I ask my colleagues, where was it? It was not at the wholesale level. It was not at the retail level. It was not at the commodity level. There was no evidence of inflation then, nor is there much evidence of inflation now.

The fact is, at the time Mr. Greenspan was taking these actions to dramatically raise interest rates to slow this economy, to kill the job-generating power of this economy, to put our workers in a place where they could start to see raises after 20 years of stagnation, Mr. Greenspan made a profound series of mistakes: raising rates, time after time, killing the energy in this economy, and doing it on an old, tired notion of an economic theory that no longer relates to reality.

Mr. President, what could be more clear? There was no evidence of inflation. There was no evidence of inflation because the economy has changed. The economy has profoundly changed. Now U.S. workers are not just competing against other U.S. workers; U.S. workers are competing against workers worldwide.

All one has to do is go to Indonesia and see people working for $1 a day and go to other parts of Asia and see people working for 50 cents a day to understand why we have seen no real increase in wages in this country for 20 years. Because the world economy has changed, American workers and American businesses are no longer competing just against American workers and other American businesses. They are competing on an international and global-reach basis.

As a result of that, reduced unemployment in this country does not trigger off the kind of wage inflation one saw in the past. What could be more clear? What could be more clear?

Mr. President, business leader after business leader has told us inflation is not present, has not been present, and that we ought not to pursue this high-interest-rate policy. Let me quote John Welch, chairman of General Electric:

> We don't see a connection between the numbers out there and what we feel in our business. There's absolutely no inflation. There's no pricing power at all.

Mr. President, that is John Welch, Jr., chairman of General Electric.

Dana Mead, chief executive of Tenneco Inc.:

> I believe very strongly that the Fed should be leaning more toward growth and not be so concerned with the threat of inflation.

Felix Rohatyn said:

> There was a time when 2.8 percent would have been considered a modest rate of growth; today, it is considered dangerously robust. Most corporate leaders don't agree with this notion of dragging the anchor just as soon as the economy has wind behind it. They understand how we can sustain high growth based on muscular productivity improvements they are generating in their own businesses.

James Robinson, former CEO of American Express, said:

> Inflation is not a threat in the United States. Nor is it for the foreseeable future. It has been remarkably flat and will remain so unless the Fed or the markets begin spurring inflation with high interest rates. The old domestic indicators, while perhaps important in gaging narrow trends, no longer determine the broader inflation outlook.

Mr. President, what could be more clear? We are engaged in a new world economy where as unemployment falls below 6 percent, it is no longer a trigger for inflationary wage pressures. Why is that? It is because we are now engaged in global competition. Our workers are up against the workers in Mexico who are getting one-third as much. Our workers are up against workers in Indonesia who are being paid $1 a day.

These are new realities. Mr. Greenspan has not adjusted to them. As a result, he has kept interest rates far too high. He is killing economic growth. He is killing a chance for American workers to receive the increases they so justly deserve. This is a flawed economic policy. It ought to be stopped.

I voted against Mr. Greenspan. At that time, there were only two of us voting against his first confirmation. I will vote against him, again, today. I dare say, there will be more than two votes against his nomination this time.

I yield the floor.

Mr. MACK. Mr. President, I inquire as to the amount of time remaining.

The PRESIDING OFFICER. The Senator has 24 minutes, and the Senator from Iowa has 25 minutes.

Mr. MACK. I yield 5 minutes to Senator FAIRCLOTH.

Mr. FAIRCLOTH. Mr. President, I rise in strong support of Mr. Greenspan. I think his reappointment a Chairman of the Federal Reserve Board is one of the most important things we are going to be voting on in this session.

First, let me talk about Mr. Greenspan as an individual. He is a man of unquestioned integrity and honesty. I have come to know him well since my election to the Senate in 1992. The Chairman of the Federal Reserve Board has an incredibly important job. For this reason, I think that having someone with Mr. Greenspan's character and standing is vitally important.

Mr. Greenspan's tenure at the Fed since 1987 has been marked by a great stability in our economy. Since 1991, inflation has not been above 3 percent. Since he was first appointed in 1987, only once has inflation exceeded 5 percent. This is an amazing record of reliability, and it is one the American people have benefited from greatly.

Do we really want to return to the days of 20 percent inflation and 20 percent interest rates, when inflation was ravaging the savings of Americans? I well remember the days, as I had several million dollars worth of automobiles on my floor plan that I was paying that 20 percent on.

I have heard speeches today about the need to create jobs versus inflation. If you look at the front page of the Washington Post, it says, ''Labor Shortages May Be Slowing Economy.''

We are talking about looking for jobs where they offer a bonus, an incentive to find someone to work in fast foods. Can you imagine? And then they say that we still need people—people are looking for work, and we have unemployment. I can tell you that there is not much unemployment in this country today. Anybody that wants a job can find one. Companies are giving bonuses for low-wage jobs.

What this article says is that we are close to full employment right now. Given this reality, I really fail to see the argument that the Federal Reserve has endangered job growth to keep inflation low. This article suggests that we have both, and I think they are absolutely right.

Mr. President, much of this debate has been about economic growth. There seems to be a belief that someone somewhere has decided that we should not have economic growth, or that it should be at a certain level. Growth in the United States is not artificially set. Our level of growth is determined by the policies we pursue here in Congress.

How much growth can we have when we have spent more than two decades without balancing the budget? How much growth can we have when we are $5 trillion in debt? How much growth can we have when we spend $230 billion a year in interest payments? How much growth can we have when 41 percent of all income taxes sent by our citizens to Washington is used to simply pay the interest on the debt?

If we want growth, we have to unleash the private sector. That is where growth is. But every time someone attempts to make money in this country, this society, we either regulate it or tax it. How can we achieve growth in this type of environment? The irony is that the Federal Reserve policies have served us well by maintaining a low inflation environment.

Can you imagine how much deeper in debt we might be if we did not have low inflation, if we had to borrow money at 10 to 20 percent? Can you imagine the cost to the Federal Government if cost-of-living adjustments had to be paid for runaway inflation? Would job growth simulate revenue to the point to pay for the risk of inflation? I do not see how if, as the Washington Post reports today, we have close to full employment.

I think the issue is clear. We need price stability in the economy. This is the kind of policy that we have had for the past several years, and that is why I think President Clinton chose to renominate Alan Greenspan. Even President Clinton, with whom I do not agree on most matters, sees the wisdom of having him at the helm of the Federal Reserve.

Mr. President, let me conclude that I am in strong support of Chairman Greenspan and urge my colleagues to support him, also.

I yield the remainder of my time.

Mr. MACK. Mr. President, I yield 5 minutes to Senator BOND.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I rise today in support of the nomination of Alan Greenspan as Chairman of the Federal Reserve Board.

As Fed Chairman, Mr. Greenspan has earned the respect of national and international business and financial communities. During his 8-year tenure, economic performance has been remarkable—consumers and businesses alike have benefitted from a lengthy period of stable, predictable prices. Interest rates have reached near historic lows, and millions of Americans have realized their dream of purchasing a home.

Mr. President, I believe Mr. Greenspan's achievements deserve high praise. Let me just take a moment to highlight two basic, but major accomplishments: the economy has grown during 7 of the last 8 years, and both unemployment and inflation have declined.

Mr. President, let me reiterate that praise for Mr. Greenspan's record is not limited to persons on this side of the aisle. In testimony before the Banking Committee, the President's Budget Director stated:

> . . . at the moment, the economy, at last at the aggregate level, is performing extremely well. Unemployment is lower than many economists would have thought possible without igniting inflation, yet inflation is not visibly accelerating . . . The challenge now, both for monetary and fiscal policy, is to keep up the good work and find the continuing set of policies that will enable the U.S. economy to attain maximum sustainable growth as we move into the 21st century.

Mr. President, let me just conclude my remarks with a brief commentary on economic growth.

I have listened to my colleagues argue that current economic growth rates pale in comparison to those in the 1950's and 1960's. The reality, however, is that the Fed cannot control long-term growth and employment. In fact, slow population growth and limited productivity increases, have played major roles in limiting economic growth to 2.5 percent—and we all know the Fed has almost no control over either of these trends.

What the Fed does control is the amount of money in circulation and the price of goods. The Fed can enhance economic growth by removing inflationary fears and encouraging investment. During sluggish economic times, the Fed can cut interest rates and spur investment and boost economic activity. However, there are limits on how far the Fed can go. At some point, unemployment will decline so much that wage and price inflation soar. I need only refer to my earlier comments on employment and growth as evidence of Mr. Greenspan's accomplishments in these areas.

Mr. President, as we all know hindsight is 20–20 vision, and a case might be made that the Fed has erred in the direction of caution the past couple of years. But the errors have been slight and the impact small. The reality is that Mr. Greenspan has kept the economy on a steady course through major national and international turmoil. In light of his leadership, I strongly support the renomination of Alan Greenspan as Chairman of the Federal Reserve Board and urge my colleagues to join me.

Mr. President, again, I strongly support the renomination of Alan Greenspan to be Chairman of the Federal Reserve and the nomination of an outstanding Laurence Meyer, an outstanding Missourian, to serve on the Federal Reserve Board of Governors.

I believe the Federal Reserve, which is only one tool that affects economic growth and inflation in this country, has done an outstanding job with the fiscal policy which has threatened to bring back inflation and stifle job growth. I think the record that has been established by Mr. Greenspan is an outstanding one.

LAURENCE MEYER

Mr. President, I also rise today in support of a fellow Missourian, Dr. Laurence Meyer, for his nomination to the Federal Reserve Board of Governors. With more than 27 years experience in academics, consulting, and economic forecasting, Dr. Meyer is a leading figure in national economic forecasting and development. I believe that his background in the public, private and academic sectors make him uniquely qualified for a position on the Federal Reserve Board.

In my home State of Missouri, Dr. Meyer has played a key role in the development and expansion of the economics department of Washington University. As former university professor and department chairman, Dr. Meyer has been recognized repeatedly for his academic achievements by students and faculty alike. Fellow economists similarly appreciate his expertise, having twice granted him the prestigious Annual Forecast Award for being the most accurate forecaster on the panel for the Blue Chip Economic Indicators.

Having served as an economist at the New York Fed and as a visiting scholar in the St. Louis division, Dr. Meyer also brings a personal, in-depth understanding of the unique role and purpose of the Federal Reserve Board.

As an adviser to each of the last three Presidents, Dr. Meyer has demonstrated an ability that is truly rare in Washington—the capacity to rise above partisan politics. Even today, Dr. Meyer counts among his clients the President's Council of Economic Advisers, the office of OMB, and the Departments of Treasury and Commerce. To balance his perspective, Dr. Meyer also advises our House colleague and Budget Committee Chairman JOHN KASICH on budget-related issues.

Finally, Dr. Meyer also represents the entrepreneurial spirit in all Americans. Almost 15 years ago, this university professor and two former students invented the first macroeconomic model that could be programmed into a personal computer. Today, his business sells models and forecasts to major corporations and governmental agencies across the Nation.

In conclusion, Mr. President, I believe Dr. Meyer's experience in public, private and academic arenas will prove invaluable as we move into the 21st century.

I urge my fellow Senators to support his nomination.

ALICE RIVLIN

The third nominee causes me a great deal of difficulty, because, as I said initially, I felt that Dr. Rivlin had good credentials and had been a good economist that worked at various posts. However, my experiences over the last several months, as we worked on the budget in appropriations, have led me to have grave reservations.

We all know that the President submitted a budget that he says, under CBO scoring, reaches a balance in 2002. It does reach a balance in 2002 if it includes the automatic trigger—the cuts of 10 percent in 2001 and 18 percent in 2002—that they established.

Well, some say the budget the President submitted includes significant cuts even before that. I happen to chair the subcommittee that handles the appropriations for the Veterans' Administration, EPA, NASA, and HUD. When Secretary Brown of the Veterans' Administration came before me, I asked him about the budget that the President had submitted. This, Mr. President, is the budget that has been submitted by the President for the Veterans' Administration. You will note on the chart that, after going up nicely in 1997 during an election year, it falls off precipitously, from over $17 billion to around $13 billion in the year 2000. That is before any triggers occur. I asked the Secretary of the VA, who has complained bitterly about having his budget held flat, how he was going to live with those drastic draconian cuts. I was stunned when he told me that he had been assured by the President and his people that he did not need to worry about those cuts. In other words, we did not have to worry, as we looked at the increases proposed for this year, about what would happen when a quarter of the budget of the Veterans' Administration would be cut out by the year 2000, and they would not be able to build new hospitals and have new programs. How were they going to do it? The Secretary of the VA told me he had been assured that they were not going to make those cuts. I was dumbfounded.

And then the head of NASA came before me, and I asked about the $3 billion dollar-plus cut in NASA budget. He said he had been told not to plan on those cuts because he would not have to make them.

I got similar assurances from the Administrator of the EPA, Carol Browner. She said, ''I have been assured that my agency is not going to be cut.''

I went into another subcommittee and asked HHS Secretary Donna Shalala how she would live with the cuts, and she outlined a whole list of programs that would not be cut.

Well, Mr. President, nobody would own up to the fact that there had to be cuts. When I presented this budget showing the Clinton budget figures, a representative of the Office of Management and Budget was quoted in a newspaper, the St. Louis Post Dispatch, saying that I was misrepresenting their budget. Misrepresenting their budget? Mr. President, these are the figures. These are the figures—unless the Clinton administration has two sets of books. Under one set of books, they would assure those of us who believe in the compelling need to balance the

budget that they really are going to balance the budget. On the other hand, there is another set of books that apparently is shown to department directors and the interest groups they serve, in which they assure them that there are going to be no cuts.

Which is it? I found this to be very troubling. The OMB is presenting two sets of books. This is a shameless charade. The President says that we are going to balance the budget. Yet, he says, no, we are not going to make any cuts. We asked in a letter signed by my colleagues to Dr. Rivlin whether they were going to follow the budget and make the cuts necessary to balance the budget, or whether there was another set of books. The letter that she responded to us with says that we are going to work together and everything is going to come out all right, and we will make the cuts.

Mr. President, I am deeply disappointed in Dr. Rivlin. She is willing to subvert her professional judgment in submitting a budget to the political directives of the White House to avoid any cuts. I regret to say, and I am sorry to say, that I do not believe we can afford to have someone willing to subvert their professional judgment to political directives serving on the Federal Reserve Board. I must oppose her nomination.

Mr. MACK. Mr. President, I yield 1 minute to the Senator from Virginia, Senator WARNER.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I rise to speak on behalf of Mr. Greenspan whom I have known for many, many years.

Today, particularly in this town, the word ''character'' is being referred to very often. So I thought I would go to the Thesaurus, Roget's Thesaurus. I will quote from Webster's and Roget's Thesaurus.

Webster's, of course, says, ''Moral or ethical quality; qualities of honesty; courage, or the like; integrity; reputation.'' And the Thesaurus says, ''Probity, rectitude, upright, integrity, honesty, honor, worthiness,'' and right on down.

I will put the rest of them in.

But I can tell you. I have known Alan Greenspan very, very well for a number of years. I cannot find any of the definitions relating to ''character'' in any of the leading sources that conflict in any way with this man's own character. He is a monument to the definition of ''character.''

And I am privileged to vote to have him continue in the service of this country.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 25 minutes.

Mr. HARKIN. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARKIN. Mr. President, first of all, I want to thank Senator DASCHLE and Senator LOTT for making sure that we had this time for debate.

Some of my colleagues have said before—and I have said since this nomination came down to us in March—that what we wanted was some time to lay out the record and to debate monetary policy. I wish we did this more often.

This is not a debate about personalities, or character. I have a great deal of respect for my friend from Virginia. It is not a debate about character at all. I and others happen to think that Mr. Greenspan's performance at the Fed has left us wanting in this country; and that his guidance and direction of the Fed is taking us in a slow growth path that is robbing us of jobs and economic growth in this country. It has nothing do to do with character.

I just happen to think that Mr. Greenspan happens to be wrong. I and those of us who are taking this position are not alone in that assessment.

I will read some quotes from a lot of people that believe that Mr. Greenspan basically has the wrong concept of what is happening economically in America today.

So what is this debate really about? Is this a lot of economic terms? I have been guilty myself. I have thrown out ''NAIRU''; ''price deflators''; and ''CBI's.'' And people's eyes tend to gloss over when we talk about those things. Sometimes we have to get down to what this debate is really about.

It is about working men and women; it is about small business; it is about our farmers; it is about the middle class; it is about the impact on their lives from a policy of high interest rates—a policy that says that every time we have a spurt in growth the Fed raises its interest rates and slams on the brakes. This debate is about growth in our economy.

There are those who look at the last several years of Mr. Greenspan's stewardship at the Fed and say, ''Well, we have had growth.'' Well, yes. We have. It has been comparatively about a C average. If we are happy with a C average in America, fine. I am not. I believe we can do a B, or an A in America. I believe our workers can be even more productive. I believe technological changes that are rapidly coming on line are going to increase our productivity.

To say that we have reached some plateau of growth is like saying that when the cavemen invented the wheel they said they did not need anything else. I am sure they probably thought at that time that they did not need anything else. They had reached their limits.

We have heard it time and time again—that somehow we have reached our limits of growth in America. I do not buy that for a minute. And I do not buy it—that we can only grow 2 or 2.5 percent when there are so many indicators out there that we can grow at 3 or 3½ maybe as much as 4 percent for a sustained period of time, and not just 1 year.

You look at Mr. Greenspan compared with the years before him. We look at growth from 1959 to 1987 versus 1987–95. What do we find under Mr. Greenspan? We find that in the previous year before Mr. Greenspan real GDP averaged 3.4 percent growth. Under Mr. Greenspan it averaged only 2.2 percent growth.

Income per capita averaged 2.5 percent growth prior to Mr. Greenspan; only 1.2 percent under Mr. Greenspan.

Payroll and jobs: 2.4 percent prior to Mr. Greenspan; 1.7 percent under Mr. Greenspan.

And, productivity: Prior to Mr. Greenspan, our productivity went up at an average rate of 2.3 percent per year; under Mr. Greenspan, it has only been 1.1 percent.

So I guess, if you are happy with this kind of lackluster performance in our economy and what the Fed has been doing, I submit that you probably ought to vote for Mr. Greenspan because that is the direction he is guiding and directing our Federal Reserve policy. I do not think that is acceptable for America. I believe we can do better than that. And it is monetary policy that is doing it. It has nothing to do with our vote here in the Senate or in the Congress. It has to do with what the Fed is doing with interest rates.

Again, I would say that this is not a debate as some have said between high inflation and low growth, that somehow if we grow faster we are going to have high inflation, and, therefore, we cannot have that high growth because we want low inflation.

Mr. President, I refer my colleagues to chapter 9 of Lester Thurow's new book called ''The Future of Capitalism.'' I am going to read certain parts of it because I know that Mr. Thurow has done a very good job in pointing out that the ''beast of inflation'' has indeed been slain and that we are fighting old battles. As my friend from North Dakota said, Mr. Greenspan is fighting a war that occurred back in the 1970's but we keep dredging it up all the time.

Here is what Mr. Thurow had to say. He said:

> In the 1970s and 1980s fighting inflation became the central preoccupation of the industrial world. . . . The factors that produced inflation in the 1970s and 1980s simply disappeared, and structural changes have occurred to make the economies of the 1990s much more inflation-proof than those of the 1970s and 1980s. . . . But as is often the case, beliefs change more slowly than reality. Inflation is gone but inflation fighting still dominates central bank policies. . . .
>
> The problem can be seen in the activities of the American Federal Reserve Board in 1994 and 1995. At the beginning of 1994 the Fed saw an economy so inflation-prone that even what was by historical standards a slow recovery from the 1991–1992 recession (2.4 percent growth in 1993; 3.5 percent in 1994) represented an overheated economy. Because of

this belief, seven times in twelve months, from early 1994 to early 1995, the American Federal Reserve Board boosted short-term interest rates.

How much? One-hundred percent. To this day, when I tell audiences that the Fed increased interest rates under Mr. Greenspan by 100 percent in 1 year, they do not believe me. But this is the fact. Since February 1994, Federal funds rate, 3 percent; February 1995, 6 percent. And what has happened since then? We have only come down three-quarters of a point, and we are still at this very high level.

I am quoting now from Mr. Thurow's article:

Yet every time, the Chairman, Alan Greenspan, admitted that the Fed could not point to a hint of inflation in the current numbers. The Fed could not point to inflation because there was no inflation. The broadest measurement of inflation, the implicit price deflator for the gross domestic product, fell from 2.3 percent in 1993 to 2.1 percent in 1994. In the third quarter of 1995 it was running at the rate of .6 percent.

Mr. Thurow goes on:

If all of these factors are put together, the real rate of inflation outside of the health care sector was undoubtedly very low, perhaps even negative, during the entire period when Alan Greenspan was worrying about inflation. Greenspan could not see any inflation in the indexes because there was no inflation to be seen.

By raising interest rates in 1994, the Fed killed a weak American recovery that had yet to include many Americans and slowed a recovery that was barely visible in the rest of the industrial world.

Well, Mr. Thurow I think laid it out very clearly. As he said:

The numbers that have increased the Treasury bond rates and 30-year fixed mortgages are not because of inflationary expectations. They reflect an uncertainty and hence the risk premiums that investors must demand to protect themselves from a Federal Reserve Board prone to seeing inflation ghosts where they don't exist.

Mr. President, I ask unanimous consent that this article by Mr. Thurow be printed in the RECORD.

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

THE FUTURE OF CAPITALISM

INFLATION: AN EXTINCT VOLCANO

In the 1970s and 1980s, fighting inflation became the central preoccupation of the industrial world. Wage and price controls were tried in a number of countries, including the United States, but empirically it seemed to be impossible to control inflation without deliberately creating an environment of slow growth and high unemployment. Inflation was not conquered in this war. The factors that produced inflation in the 1970s and 1980s simply disappeared, and structural changes have occurred to make the economies of the 1990s much more inflation-proof than those of the 1970s and 1980s—just as the economies of the 1960s were much more inflation-proof than those of the 1970s or 1980s.

But as is often the case, beliefs change more slowly than reality. Inflation is gone but inflation fighting still dominates central bank policies. They still believe that the natural rate of unemployment—the rate of unemployment at which inflation starts to accelerate—is so high that they and the fiscal authorities must step on the monetary and fiscal brakes long before tight labor markets can push wages up.

The problem can be seen in the activities of the American Federal Reserve Board in 1994 and 1995. At the beginning of 1994 the Fed saw an economy so inflation-prone that even what was by historical standards a slow recovery from the 1991–92 recession (2.4 percent growth in 1993; 3.5 percent in 1994) represented an overheated economy. Because of this belief, seven times in twelve months, from early 1994 to early 1995, the American Federal Reserve Board boosted short-term interest rates.

Yet every time, the chairman, Alan Greenspan, admitted that the Fed could not point to even a hint of inflation in the current numbers. The Fed could not point to inflation because there was no inflation. The broadest measure of inflation, the implicit price deflator for the gross domestic products, fell from 2.2 percent in 1993 to 2.1 percent in 1994. In the third quarter of 1995 it was running at the rate of 0.6 percent.

Having fallen during the previous recession, the producer's price index for finished consumer goods in December 1994 was below where it had been in April 1993 and annual rates of increase decelerated from 1.2 percent in 1993 to 0.6 percent in 1994. In 1994 labor costs rose at the slowest rate since records have been kept, and the core rate of inflation (the rate of inflation leaving out volatile energy and food prices) was the lowest rate recorded since 1965.

The OECD in its end-of-the-year 1994 report saw no inflation ahead in the United States in 1995. Abroad in the world's second biggest economy, Japan, wholesale prices were 8.5 percent below 1990 levels and were still falling in mid-1995.

Officially, the rate of inflation in the consumer price index (CPI) fell from 3.0 percent in 1993 to 2.6 percent in 1994, but Chairman Greenspan had himself testified to Congress that the CPI exaggerated inflation by as much as 1.5 percentage points, since it underestimates quality improvements in goods (in computers, for example, it has performance rising at only 7 percent per year) and since it both has poor coverage and gives no credit at all for quality improvements in services. It is clear that service inflation is much smaller than reported.

An official government commission, the Boskin Commission, has estimated an upward bias of between 1.0 and 2.4 percentage points in the CPI. This is made up of 0.2 to 0.4 percentage points of bias, because the official index fails to keep up with consumers as they shift to cheaper products; 0.1 to 0.3 percentage points of bias, since the official index fails to keep up with consumers as they shift to cheaper stores; 0.2 to 0.6 percentage points of bias, because the index underestimates quality improvements; 0.2 to 0.7 percentage points of bias, since it lags behind in introducing new products; and a formula bias of 0.3 to 0.4 percentage points, due to the mishandling of products that come into the index at temporarily low prices.

If one is willing to assume that the sectors where quality improvements are hard to measure are in fact improving quality at the same pace as those sectors where quality is easy to measure (and it is hard to think of why they should be radically worse performers), the over-measurement of inflation may be closer to 3 percentage points.

In addition, health care inflation cannot be controlled with higher interest rates and slower growth. To know what is going on in that part of the economy that is potentially controllable with higher interest rates, health care inflation rates have to be subtracted from the totals. Since health care accounts for 15 percent of GDP and health care prices are rising at a 5 percent annual rate, mathematically another 0.75 percentage points of inflation (almost one third of 1994's total inflation) can be traced to health care. In reality, more than this amount can be traced to health care, since some of health care inflation gets built into the price indexes more than once. If states raise sales taxes to cover the costs of their health care programs, for example, health inflation shows up once as increased costs for health care and once as a sales tax increase in the consumer price index.

If all of these factors are put together, the real rate of inflation outside of the health care sector was undoubtedly very low, perhaps even negative, during the entire period when Alan Greenspan was worrying about inflation. Greenspan could not see any inflation in the indexes because there was no inflation to be seen.

Nor were there any private inflationary expectations at the beginning of 1994. None of the standard private economic forecasting services were suggesting that inflation would accelerate either. The first unexpected increase in interest rates in 1994 imposed hundreds of millions of dollars of losses on some of the world's most sophisticated investors (George Soros, Citibank), who had been betting that interest rates would fall or remain constant. If they had believed that there was any inflation over the horizon, they would not have placed those bets.

Theoretically, there is no reason why inflation should adversely affect capitalistic growth. Capitalists are smart enough not to suffer from money illusion. Negative effects only appear when inflation gets so high that speculation and inflation avoidance become more profitable than normal business activities and that requires hyperinflation before it occurs. Empirically, there is no evidence that modest rates of inflation hurt growth. Looking at the experience of over one hundred countries for a thirty-year period, a study for the Bank of England found no negative effects on growth for countries that averaged less than a 10 percent per year inflation rate and only very small effects for countries that averaged much more than 10 percent.

An argument can also be made that capitalism works best with something on the order of a 2 percent per year rate of inflation. Anything lower starts to create problems. If prices are falling, one can make money by holding one'e money in the proverbial mattress. To stimulate people to take the default risk of lending requires a positive money interest rate of 2 or 3 percent. As a result, if inflation is negative, real interest rates must be high. Real interest rates reached 13 percent in 1933 because prices were falling. Real interest rates cannot be very low unless there is a modest rate of inflation, and without low real interest rates, investment cannot be high.

In a dynamic economy some real wages need to fall to induce labor to move from sunset to sunrise industries. Real-wage reductions are very difficult and disruptive if they have to take the form of lower money wages. Labor rebels. But real-wage reductions are much easier to accomplish if the employer is simply giving wage increases smaller than the rate of inflation. The real reductions can be blamed on the amorphous system rather than on himself.

The same is true for prices. In any economy it is always necessary to change relative prices. If inflation is very low, that can only happen if many sectors experience falling money prices, but capitalism doesn't work very well with falling money prices. With falling prices there is an incentive to postpone. Why buy or invest today when tomorrow everything will be cheaper? In a

world of deflation the pressure to act is sharply reduced. Yet action is what causes economic growth. Zero is simply not the right inflationary target in capitalistic societies interested in growth.

When the Fed started raising interest rates in early 1994, it stated that it had to have higher interest rates now to stop inflation twelve to eighteen months into the future because of the time lags in the economic system. Growth in fact accelerated from 3.1 percent in 1993 to 4.1 percent in 1994 and was very close to what was expected at the beginning of the year. By the end of the year neither had the economy slowed down nor had the signs of inflation become more visible than they had been twelve months earlier. By September it was clear that 1994's inflation would be much less than the low rates that were forecast at the beginning of the year. The business press was proclaiming that ''the inflationary 'ogre' has been banished—maybe for good, certainly for the foreseeable future.'' Nor was inflation accelerating in 1995, even though monetary policies did not bring about the expected slowdown in economic growth until the second quarter of that year.

The Federal Reserve Board was chasing ghosts. Inflation was dead but the Fed wasn't willing to admit it.

While the 1970s and the 1980s were inflationary decades, the 1990s and the decades beyond are going to be very different. Inflation died in the crash in asset values that began in the mid-1980s with the collapse of the American savings and loan industry. This was followed by a collapse in property values that rolled around the world. A decade later both purchase prices and rents were still far below their previous peaks. The crash in the Taiwanese stock market was followed by a crash in the Japanese stock market.

While capacity utilization rates were rising in the United States during 1994, in a global economy it is world unemployment and world capacity utilization rates that count—not American rates by themselves. In 1994 the world was awash in excess production capacity. The rest of the industrial world was having a very slow recovery from the earlier recession—at the end of 1994 Japanese growth was strongly negative and European growth only marginally positive.

As we have also seen in detail in the last chapter, globally unemployment rates were at levels not seen since the Great Depression. Labor shortages were not going to be driving up wages for a long time to come.

U.S. measures of capacity and hence capacity utilization are also out-of-date. They don't reflect the outsourcing that has happened. Outsourcing means that effectively firms increase their production capabilities without having to invest themselves. But the capacity increases of their supplies remain unmeasured, since the capacity indexes assume that nothing has changed in the proportions of value added contributed by component suppliers and original equipment manufacturers (OEMs).

Investments in new information and computer technologies have also made it possible to get more output out of the same capital with fewer people. That is part of what downsizing is all about, yet downsizing is not reflected in official indexes of capacity.

The Fed also doesn't seem to understand that some important structural changes have occurred that make it impossible for inflation to arise from the grave. The addition of the Communist world to the capitalist world and the effective collapse of the OPEC oil cartel in the aftermath of the Persian Gulf War means that a repetition of the energy, food, or raw material shocks of the 1970s are simply impossible in the 1990s. Oil prices are lower in real terms than they were when the first OPEC oil shock happened in the early 1970s, yet exploration and exports from the old Soviet Union have barely begun and Iraq has yet to be brought back into world oil markets.

The real-wage declines that began in the United States are now spreading across the industrial world. The downsizing of big firms with high wages and good fringe benefits continues at an unrelenting pace. If anything, wage reductions are going to be accelerating. The second world and the rest of the third world will join the small parts of the third world that were export oriented in the 1980s. Downward price and wage pressures from these low-cost producers can only accelerate. In 1994 unit labor costs declined by 2.9 percent in manufacturing and rose by only 0.9 percent in nonfarm businesses.

At the same time productivity growth is running at the highest rates seen since the 1970s. In most of the 1970s and 1980s, service productivity was falling, but now it is rising. Services just aren't going to provide an underlying inflationary push as they did earlier. Wages down, productivity up—that simply isn't the recipe for inflation.

All across America large firms are forging new supplier arrangements such as those recently put in place at Chrysler. The number of suppliers is dramatically reduced, suppliers are guaranteed much larger sales, original equipment manufacturers (OEMs) share information and technical expertise with suppliers on design and manufacturing, but suppliers in return commit to annual price reductions in the components they supply to OEMs. The OEMs in turn pass some of these reductions on to their customers to increase market share.

The world is essentially back to the conditions of the 1960s, with much less inflationary-prone economies. Supply elasticities were high then because of the recovery from World War II and the economic integration forced by the cold war. Now supply elasticities are high because of the integration of the second world into the first world and the decision of most of the third world to replace import substitution with export-led growth.

Since World War II, American firms have typically held prices constant, or even raised them, while distributing the fruits of higher productivity in the form of higher wages or higher profits. But under the pressure of international competition, that system is rapidly eroding. In the 1990s many more of those productivity gains are showing up as falling prices and many less are showing up as rising wages.

Knowing that governments have lost their ability to shorten recessions also radically changes expectations. Producers know that they cannot hold prices constant while waiting for a quick recovery from cyclical downturns. The early 1990s demonstrated that no government would come running to the rescue with large fiscal and monetary packages designed to stimulate demand during recessions. Instead, recessions will be allowed to run their course and governments will simply wait for a recovery. If downturns are sharper and longer, business firms will have to reduce prices if they wish to survive those downturns.

There are no ghosts in the attic. Inflation is not about to rise from the dead.

By raising interest rates in 1994 the Fed killed a weak American recovery that had yet to include many Americans and slowed a recovery that was barely visible in the rest of the industrial world. In just two and a half months after the Fed initiated its actions, interest rates on thirty-year Treasury bonds had risen 1.1 percentage points and those on thirty-year fixed rate mortgages had risen 1.3 percentage points. These rates did not soar because there was a sudden upward adjustment in thirty-year inflationary expectations. These numbers reflect the uncertainty, and hence the risk premiums, that investors must demand to protect themselves from a Federal Reserve Board prone to seeing inflation ghosts where they don't exist.

If the battle against inflation is primary, central bankers will be described as the most important economic players in the game. Without it, they run rather unimportant institutions. It is well to remember that in 1931 and 1932 as the United States was plunging into the Great Depression, economic advisers such as Secretary of the Treasury Andrew Mellon were arguing that nothing could be done without risking an outbreak of inflation—despite the fact that prices had fallen 23 percent from 1929 to 1932 and would fall another 4 percent in 1933. The fear of inflation was used as a club to stop the actions that should have been taken. Central banks are prone to see inflationary ghosts since they love to be ghost busters. While no human has ever been hurt by ghosts in real life, ghost busters have often created a lot of real human havoc.

Since growth did not in fact slow down in the year in which Alan Greenspan was raising interest rates, the question Why worry? can be raised. The answer is of course that higher interest rates often act like sticky brakes. The driver pushes down on the brakes and initially nothing happens. So she pushes harder. Suddenly the brakes grab and the car is thrown off the road. And that is exactly what happened in the second quarter of 1995. Growth effectively stopped.

If the economy's maximum noninflationary rate of growth is 2.5 percent (the Fed's announced target), surplus labor is going to be pushing wages down. Even the manufacturers who have to pay those wages think that a 3.5 percent growth rate could be achieved without inflation.

Our societies tolerate high unemployment since only a minority suffer from that unemployment. Most of the movers and shakers in society know that they will not be affected. Politically, high inflation is much more worrying to those in or seeking office, since it seems to reduce everyone's income. Economists can point out that every price increase has to raise someone's income and that the balance between gains and losses seems to indicate that very few are real-income losers as long as inflation is less than 10 percent per year, but all of that analysis is irrelevant. To the voter it does not seem to be true. They merit wage increases but are cheated by price increases.

The high unemployment necessary to fight inflation is one of the factors leading to falling real wages for a large majority of Americans, but this reality is too clouded by other factors and too indirect to be seen as the cause. Political power lies on the side of those who declare a holy war against inflation. Yet those who do so are indirectly advocating lower real wages for most Americans.

The inflationary volcano of the 1970s and 1980s is extinct, but the mind-set produced by its eruptions lives on. As a result, business firms in their planning have to simultaneously plan for a world where there is no inflation, but there will be periodic deliberate recessions designed to fight imaginary inflations.

Labor will continue to live in a world where governments talk about the need to restore real-wage growth but deliberately create labor surpluses to push wages down. As a result, no one should pay attention when they talk about restoring a high-wage economy with growing real incomes. Wages go up when there are labor shortages, not when there are labor surpluses.

Officially, central banks always hold out the prospect that if they just hold down inflation long enough, they will gain anti-inflation ''credibility'' with the financial markets and rapid noninflationary growth will resume. but it doesn't work. If the German Bundesbank does not by now have ''credibility'' as an inflation fighter no central bank will ever get this mythical status. Despite its anti-inflation credibility West Germany has had a very slow growth rate—2.3 percent per year from 1981 to 1994. Rapid growth never resumes.

Mr. HARKIN. So, yes, there is a lot of complicated economic terms, statistics, and charts that we can put up here. Let us not get lost in these complexities. We are talking about simple fundamental things—real people, families trying to make a payment on their house, trying to buy a new car, trying to work with their bank to get the funds to put in next year's crops for our farmers, or to operate a small business. We are talking about creating more and better jobs in America, about growing our economy faster, about raising wages.

That is what this debate is about. After all, Mr. President, raising the living standards and real wages of ordinary Americans should be our No. 1 economic challenge, but time and again the policy of the Federal Reserve under Mr. Greenspan has stood in the way. That should not be.

Under current law, the Federal Reserve is obligated to conduct a balanced monetary policy to reconcile reasonable price stability with full employment and strong economic growth and production. But under the Greenspan Fed that balance has been lost.

In 1978, we passed the Humphrey-Hawkins bill which mandated that the Federal Reserve take into account employment, full employment, and production along with inflation in setting its policies. I see my friend from Florida is in the Chamber. He has introduced a bill on the Senate side, the Mack bill, that would remove that consideration from the Federal Reserve, to consider full employment and production and leave the Fed only to consider inflation. I respect his opinions on that, his judgment. We happen to disagree on that. I think the Fed ought to have in its considerations a balanced approach—inflation, yes, but also full employment and production. I would point out that Mr. Greenspan has come out in favor of the Mack bill, to take away from the Federal Reserve requirements in law that we say they must take into account, full employment and production, in their setting of monetary policy. I think that is wrong. And for Mr. Greenspan to support that policy indicates that he again has his eye only on inflation, the ''ghost of inflation,'' as Mr. Thurow says, and not on a balanced policy.

So what has happened? Middle-class Americans have paid the price. We have seen what has happened with interest rates. And we have higher interest rates. Let me just say this very clearly, Mr. President. What we have operating now in America on middle-class families is what I call the Greenspan tax—yes, the Greenspan tax on American families. Higher interest rates are nothing more than a tax on hard-working middle-class families, farmers, and main street businesses.

One of my colleagues was in the Chamber last week and referred to high inflation as an unfair tax on working families. That is true. But high interest rates are also an unfair tax. We do not have any inflation out there, there is none of it on the horizon, and yet we have inordinately high interest rates. The real threat and the real tax today on our middle class, our farmers, and our small businesses is unnecessarily high interest rates. So we need a Fed Chairman who looks at growth and jobs and wages and says we can do better, not saying, oh, 2.2 percent is fine. We can grow much faster than that. And we do it without the threat of inflation. We live in a global economy, a time of unprecedented competition, rapid technological change. All of this means we can have fuller employment, higher productivity without inflation.

We seem to be living in a world that if we begin to do better and our economy begins to grow, that is bad for America, the Fed slams on the brakes, and we cannot grow any faster than that. It is seen as a bad thing. But faster growth and higher wages and more jobs and lower interest rates should not be seen as obstacles. They should be sought out as our goals.

In short, we need a balanced policy based on raising economic growth, increasing jobs, the long-cited continued vigilance against inflation. I do not believe we have gotten that under Mr. Greenspan, and we have seen that common thread throughout his entire record, that all through his entire time Mr. Greenspan has focused on inflation.

Start with 1974. Mr. Greenspan was Chair of President Ford's Council of Economic Advisers. As I discussed in depth last week, in his zeal to fight inflation to cure the recession of 1974, Mr. Greenspan prescribed the wrong medicine. Unemployment skyrocketed, and the recession got even worse.

This is how Jerry Terhorst, President Ford's press secretary, recounted it:

To be blunt about it, the President has lost confidence in the ability of his economic advisers to predict the economic future. This fall, when he fashioned the anti-inflationary package he presented Congress following the series of economic summit meetings, Ford relied heavily on the forecasts of his consultants, including Economic Council Chairman Alan Greenspan. They assured him that rising prices and production costs were the prime enemy of a healthy America. He was advised that while a recession lurked distantly on the horizon, it was not an imminent prospect that would confront him immediately.

Well, what happened? The recession got worse, unemployment skyrocketed. In two months, the unemployment rate increased by 1.2 percent.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. HARKIN. How much time do I have remaining?

The PRESIDING OFFICER. Nine minutes.

Mr. HARKIN. I yield myself 4 additional minutes.

Greenspan's prognosis of the Nation's economic ills in the 1970's did not comport with what happened, the same way in the 1980's. And I submit for the RECORD an article that appeared in Investors Business Daily called ''Greenspan's Rotten Record.''

Let us take a look again at what happened to growth during the period of time of former Chairman Volcker. We see growth of 6, 3.3, 4.4. coming out of the recession in the early 1980's. Now, Mr. Volcker had a 2.5 percent growth rate average, but he had a 13 percent inflation rate facing him when he came in. He brought inflation down in half and yet he had still had a 2.5 percent growth during his term even while he brought inflation down in half.

Mr. Greenspan comes in. The real growth during his period of time has been 2.2 percent. Inflation was only 4.1 percent when he came in. It has come down to 3.2 percent—a very small decrease in inflation and yet very low growth. That is what we are talking about, the low growth rate. And again, it has to do with Mr. Greenspan's rationale, what his mindset is.

Last year, I believe it came out, perhaps in an unguarded moment. I do not know. I will read from the hearing record so the record is straight. I have told people before that Mr. Greenspan was in favor of going back on the gold standard and people tell me that is not right. Well, I do not know if it is right or not. I can only take Mr. Greenspan at his own words.

Last year, 1 year ago, not 20 years ago, last year, Senator SARBANES says:

All right. Now, my next question is, is it your intention that the report of this hearing should be that Greenspan recommends a return to the gold standard?

Mr. GREENSPAN. I've been recommending that for years. There's nothing new about that.

Senator SARBANES. Okay. So, you'd like that. You want to reaffirm that position.

Mr. GREENSPAN. I have always held that system of price stability, which would come from any form of credible type of non-inflationary environment, would be very beneficial to financial system.

Senator SARBANES. And you think we should go on to the gold standard.

Mr. GREENSPAN. I, personally, would prefer it. That would probably mean that there is one vote in FOMC for that, but it is mine.

Again, Mr. Greenspan would like to go back on the gold standard. I would like to see how many people would stand here on the Senate floor and defend this and say we ought to go back to the gold standard. Maybe a few. But that is where Mr. Greenspan is coming from.

Last, Mr. President, it is not just me and a few others on our side. I ask unanimous consent a series of quotes from business leaders on Fed policy be printed at this point in the RECORD.

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

QUOTES FROM BUSINESS LEADERS ON THE FED POLICIES

''We don't see a connection between the numbers out there and what we feel in our business. There is absolutely no inflation. There's no pricing power at all.''—John Welch, Jr., chairman, General Electric.

''There's no sign of pricing pressure anywhere . . . This economy can grow more than 2 or 2½%, and we ought to let it do it.''—John Welch, Jr., chairman, General Electric.

''This fixation of the Fed on 2.5% gross-domestic-product growth doesn't reflect the enormous productivity gains of the past five years and the fact that with the information age, you can do things faster, better, and smarter. I don't know if the rate of growth we could sustain without inflation is 3%, 3.5% or 4%, but I think we need to see if we can grow the economy at a reasonable fashion.''—Tracy O'Rourke (male), CEO of Varian Associates.

''This is the most disappointing recovery we have ever seen . . . Each time we try to do a little better than 2.5% growth, we get slapped down by tight monetary policy. The recovery is lackluster and it shouldn't be.''—Kent ''Oz'' Nelson, CEO of United Parcel Service (UPS).

''I believe very strongly that the Fed should be leaning more toward growth, and not be so concerned with the threat of inflation. . .''—Dana Mead, CEO, Tenneco Inc.

''I would rather err on the side of stimulating the economy and growth rather than dragging it.''—Dana Mead, CEO, Tenneco Inc.

''There was a time when 2.8% would have been considered a modest rate of growth; today it is considered dangerously robust. Most corporate leaders don't agree with this notion of dragging the anchor just as soon as the economy has wind behind it. They understand how we can sustain high growth based on muscular productivity improvements they are generating in their own businesses.''—Felix Rohatyn.

''Inflation is not a threat in the United States. Nor is it for the foreseeable future. It has been remarkably flat and will remain so unless the Fed or the markets begin spurring inflation with high interest rates. The old domestic indicators, while perhaps important in gauging certain narrow trends, no longer determine the broader inflation outlook.''—James Robinson, former CEO of American Express.

''Inflation has begun to recede, despite the unemployment rate remaining below earlier estimates of the NAIRU. The Fed misinterprets the low unemployment rate as an indication that the economy is operating at full potential and grudgingly lowers its implicit assumption of the natural rate; in contrast, I believe the low unemployment rate has occurred as business investment and productivity gains have raised potential output and capacity, while restrictive monetary policy has constrained demand. That suggests inflation will decline further.'' Mickey Levy, Chief Economist, NationsBank Capital Markets, Inc.

''Monetary policy in this country is controlled by bond traders who live in highrises and are completely out of touch with reality.'' Jerry Jasinowski, president, Nat'l Association of Manufacturers

''Growth in the 2 percent range is unacceptably low, because the economy can sustain higher levels of growth without inflation. The long-run growth rate consistent with stable inflation is as high as 2.8 percent, using the new chain-weighted GDP measure.'' Jerry Jasinowski, President, Nat'l Association of Manufacturers

''Economists are fighting a nuclear war with conventional weapons. My concern is that we are using data and statistics and rules of thumb that come from a different business environment than now exists.'' Robert Cizik, chairman and chief executive, Cooper Industries

''At the Fed, the attitude is to avoid inflation at all costs. But out in the real economy, our people are concerned about the cost—the lost jobs, the lost profits and so on, which over time can be considerable.'' Martin Regalia, chief economist, Chamber of Commerce

'' . . . the No. 1 objective should be growth, not [containing] inflation.'' Bernard Schwartz, chairman and CEO of Loral Corporation

''The economy clearly has the brakes on now and shouldn't.''—Joseph Schell, senior managing director of Montgomery Securities.

Mr. HARKIN. Some have been stated before by Senator DORGAN and Senator CONRAD:

''We don't see a connection between the numbers out there and what we feel in our business. There is absolutely no inflation. There's no pricing power at all.''—John Welch, Jr., chairman, General Electric.

''There's no sign of pricing pressure anywhere . . . This economy can grow more than 2 or 2½%, and we ought to let it do it.''—John Welch, Jr., chairman, General Electric.

''This is the most disappointing recovery we have ever seen . . . Each time we try to do a little better than 2.5% growth, we get slapped down by tight monetary policy. The recovery is lackluster and it shouldn't be.''—Kent ''Oz'' Nelson, CEO of United Parcel Service (UPS).

''Inflation is not a threat in the United States. Nor is it for the foreseeable future. It has been remarkably flat and will remain so unless the Fed or the markets begin spurring inflation with high interest rates. The old domestic indicators, while perhaps important in gauging certain narrow trends, no longer determine the broader inflation outlook.''—James Robinson, former CEO of American Express.

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''. . . the No. 1 objective should be growth, not [containing] inflation.''—Bernard Schwartz, chairman and CEO of Loral Corporation.

''The economy clearly has the brakes on now and shouldn't.''—Joseph Schell, senior managing director of Montgomery Securities.

Mr. HEFLIN. Mr. President, I rise today to support confirmation of Alan Greenspan's nomination to serve another term as Chairman of the Federal Reserve Board of Governors. Although I have not always been completely agreeable with his policies, I think that, generally, he has struck the proper balance in monetary policy in order to stabilize prices and encourage growth short-term growth. In fact, combined with the President's deficit reduction program, Chairman Greenspan's policies helped the Nation out of its last recession.

When we consider this nomination, we must realize that the most relevant indicator of Chairman Greenspan's accomplishment is the success of the economy. Because of the number of factors and variables involved in economic theory, we can stand and debate individual arguments almost endlessly. However, we cannot ignore the fact that the economy has exploded, while inflation has stabilized at its lowest rate in more than a decade. In fact, the combined unemployment and inflation rate is lower than it has been since 1968. This did not occur without leadership, and Chairman Greenspan and President Clinton deserve our applause.

One of the reasons for economic improvement is the recent deficit reduction package. The deficit is an issue I have taken very seriously over the years. When I came to the U.S. Senate, the first bill I introduced was a constitutional balanced budget amendment, and I have supported it ever since. Indeed, I believe that addressing the deficit, and other fiscal problems, is the only way to cure the Nation's economy in the long term.

Although I had reservations, and frankly I believe we can and should do more in the area of deficit reduction, I supported the President's 1993 budget package. This measure is among the most important fiscal steps the Congress has taken in the past decade. In fact, to use Chairman Greenspan's words, this reduction was: ''An unquestioned factor in contributing to the improvement in economic activity that occurred thereafter.''

This improvement resulted in the creation of 9.7 million new jobs, the vast majority of which are in the private sector. The last few years have seen more construction job growth than any period since the early fifties, and more auto job growth than any period since the early sixties. Further, the unemployment rate has dropped to 5.6 percent—far less than the rate during the early eighties. It is a testament to the importance of a declining annual deficit and movement toward a balanced budget.

However, due to the complexity of our economy, I do not believe that the President's deficit reduction alone caused all of these improvements. According to prevailing economic theory, monetary policy is a more potent factor in the short-term growth of employment and gross domestic product than fiscal policy. Therefore Alan Greenspan does deserve a certain amount of recognition for his recession policies. Maybe it is a credit to Chairman Greenspan, however, that he has shown restraint; he has not failed to appreciate the consequences of easing his monetary policy.

When the Federal Reserve Board decides to embrace an expansive policy, the economy will grow for a while. However, a greater supply of money leads to a lesser demand, or inflation. In the long term, improvements are countered by higher costs and prices, and the economy will again equalize at a reduced level, with higher inflation. In this way, the end result is a negation of the apparent gain. Therefore,

monetary policy must strike the proper balance between expansion and tightening. I think Alan Greenspan has always appreciated the importance of this fundamental concept, and he has acted cautiously to enact such a balance.

When the country fell into a recession in 1990, Chairman Greenspan engineered a response to the crisis by initiating a series of interest rate cuts from late 1990 to late 1991, keeping rates low through 1993. Under his direction, the Fed cut the discount rate in half; this was the lowest rate since 1962. In fact, real short-term interest rates were near zero.

Chairman Greenspan said these reductions were necessary to spur economic growth, and growth did follow. His judgment has thus far been sound.

However, Mr. Greenspan rightly believes that the Federal Reserve's most important goal is price stability. It is perhaps this fact which has most fueled his critics.

The harshest criticism Chairman Greenspan has endured came in 1994, when he raised interest rates seven times. Politicians and financial markets concerned about continuing growth argued that Greenspan was an alarmist. Critics maintained that the boon had been insufficient to cause any serious inflation.

Even if we disagree, I think we must admit that his precautions have proved reasonable. Although economic growth has slowed, Chairman Greenspan has managed to stabilize inflation at its lowest rate in more than a decade. He has also lowered interest rates again to adjust for this slowed economic growth.

I would like to add that I do understand some of my colleagues reservations about Greenspan's tight monetary policy. High interest rates have been a difficult obstacle to many Americans—individuals and businesses. In fact, they are closely tied to the Nation's housing markets. They therefore affect homeowners, and they can damage financial institutions, particularly savings and loans. They have severely hurt such large businesses as Chrysler and Lockheed, and notably, they can have a terrible effect on small entrepreneurs, especially farmers, for whom I have a particular concern.

However, I think it is always important to keep things in persecutive.

We might understand Mr. Greenspan's record better if we consider his predecessor's efforts to reduce a staggering inflation during the early 1980's. Success came after the imposition of a seriously unpopular, tight monetary policy—a policy which concerned me greatly.

When Paul Volcker took control of the Board in 1979, he convinced the Federal Open Market Committee to emphasize control of the money supply's growth, and to pay less attention to interest rates. Although he was ultimately successful in bringing down inflation, his policy, in part, caused interest rates to pass 20 percent in 1981. That was quite a cost. It hurt homeowners and businesses across the country.

In fact, I became particularly concerned about the effects of these rates of farmers, many of whom were devastated by the overhead of high-interest loans. I fought to reschedule farm loans especially to ameliorate the pains suffered by small, family farmers.

But at the time, I said that the Fed should not be condemned in its policy, it should be assisted by administration and Congress alike in seeking equitable remedies to fighting inflation. Inflationary controls are, after all, the Fed's most important concern. Instead of reactivity, I believed the Congress had to emphasize tax incentives, and most important, work to balance its budget.

This idea has not changed in 15 years, I still believe that we must not be reactive. We must also remember Chairman Greenspan's tenture has been much less intense than Volcker's. Rather than raging total war on inflation, he has only had to act preventatively. The country is doing well, and we should not condemn the Fed—nor the man—now as we should not have condemned them then.

Instead, the Congress must work to resolve its own fiscal dilemmas. As I have always believed, we, and those who follow, must work toward an enactment of sound policies that include, perhaps foremost, spending within our limits.

Further, it absolutely should be considered that, although it is independent of the Congress and the President, Greenspan does not dictate absolutely over the Fed. Instead, he must achieve a consensus at the Federal Open Market Committee votes. In this regard, he has been called a genius; almost every vote during his chairmanship has been unanimous. Apparently Greenspan's colleagues also consider his judgment sound.

Mr. President, I believe that we should recognize Chairman Greenspan's successes and acknowledge that he has done some good things for the American economy. His efforts contributed to an enormous recovery, and he kept inflation down during the rebound, as it his most important goal.

Much to his credit, I think President Clinton recognizes Chairman Greenspan's qualities, and I think he had some good reasons to nominate him to another term. Perhaps the President's wisdom has once again led him to understand that moderation is the route to sound policy. He did not shy away from selecting a man lauded by Presidents Bush and Reagan when he believed it was the right thing to do.

Mr. President, I believe the Senate should concur with President Clinton's finding that Chairman Greenspan has done a good job and confirm his nomination.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. I yield 3 minutes to the Senator from New Jersey, Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I want to first say that few here have more of my respect and friendship than the distinguished Senator from Iowa. We rarely disagree. When we do, sometimes it is a fairly forceful disagreement. This is not in any way to challenge some of the observations that the Senator from Iowa has made about growth. I believe that more growth would be advisable, would be very helpful right now. But I support the nomination of Alan Greenspan to be Chairman of the Federal Reserve in his next term because I think what we have is pretty darned good when you look at the results, and we see indications of it every day, about how good this economy is relative to where we might have been in terms of measuring the economic growth and inflation at the same time.

Inflation is under control. It does not take much, in this former businessman's view, to trigger off a round of inflationary growth that we would not like to see in this country of ours.

When I see in today's papers, the Washington Post: Labor shortage may be slowing economy, not enough people applying for jobs, bonuses being offered to get people to apply for jobs. It does not say that we are overburdened by unemployment.

Any unemployment is terrible in a society. But when you compare what is happening in the United States to, now, the European market, we are almost less than half of where they are. And inflation is very carefully controlled.

Look at the response of what I may say are the knowledgeables, the stock markets. The market keeps growing. Investors think there is value there yet to be realized. We have a very comfortable view, in terms of mortgages, in terms of money. If there is a shortage, it is because much of the money supply that is out there is being absorbed by Federal debt, and we are all determined to work to reduce that.

But I know Alan Greenspan on a personal basis, which has little to do, frankly, with whether or not I would recommend him, except to say I know him well. He served on the board of my company, ADP, until he came to his position as Chairman of the Federal Reserve Board. I used to hear Alan Greenspan's opinions about things. We had other very distinguished business people on our board—by the way, Republicans more than Democrats; that is just a coincidence; I wanted it the other way, but it did not work that way—distinguished business people who would listen carefully to Alan Greenspan's views on things, to his analysis.

My ex-company—I hate to say that—my company sold the Greenspan database. We used to deliver it. I was in

the computer business, and we would deliver that database throughout the country. It was such a desirable piece of information that company after company, institution after institution would be there, ready to buy the services.

The fact of the matter is, Alan Greenspan, by all measures on the record, has done a distinguished job as Chairman of the Federal Reserve System. He deserves to be continued.

For these reasons, Mr. President, I support the nomination of Alan Greenspan to serve his third term as Chairman, and of Alice Rivlin to serve her first term as Vice Chairman, of the Federal Reserve Board of Governors.

In fact, it is hard to meet Alan Greenspan without being impressed with him. He is a very serious man who takes his work seriously, and who understands the critical importance of the office he holds.

Alan Greenspan has ably served our country as Chairman of the Fed since 1987. And in that time he has compiled a record that, by recent historical standards, is impressive.

Mr. President, as I said, I have known Alan Greenspan for many years, and have always had a tremendous amount of respect for him. Before I came to the Senate, I ran a data processing company known as ADP. Alan Greenspan was on our board of directors. And it was in that capacity that I came to appreciate his intellect, his extensive knowledge of business and economics, and his integrity. Inflation today is at 2.9 percent. Unemployment is at 5.6 percent. Not long ago, many respected economists would have scoffed at the likelihood that both these figures could be held down to these levels. Many assumed that unemployment and inflation fluctuated in an inverse relationship. Yet that has not been true in recent years, and Alan Greenspan probably deserves some credit for that.

Mr. President, steering monetary policy is an extremely difficult job that involves a delicate balancing of competing economic considerations. I cannot stand here and say that Chairman Greenspan has never made a mistake. And I understand the views of some of my colleagues that the Federal Reserve ought to adopt a looser, more aggressive monetary policy.

But when you compare the economy's performance with the expectations of the pre-Greenspan era, it is hard to argue against Chairman Greenspan's record.

It is also hard to dispute that Chairman Greenspan's work has won him broad respect and support in the financial community.

Mr. President, Alan Greenspan is one of the most thoughtful and deliberate people I have ever met. He does not speak glibly. He knows what he is talking about, and he chooses his words carefully.

This deliberate approach has served him well as Chairman. And it has contributed to a greater sense of stability and predictability in our financial markets.

That predictability is important if our economy is to function effectively.

So I hope my colleagues will support his nomination. And I trust they will, by a very strong margin.

I end up asking unanimous consent that the piece in the Washington Post yesterday, an op-ed piece by Robert Samuelson, and the article related to employment in the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 19, 1996]

GREENSPAN'S GOOD ECONOMY

(By Robert J. Samuelson)

Probably no government agency has recently performed better than the Federal Reserve. Through short-term interest rates, it influences the economy, and the results seem to speak for themselves. The economy's expansion is now in its sixth year, and since it started, employment has grown by 9 million jobs. Annual inflation remains at about 3 percent, which is where it was in 1991. Alan Greenspan, the Fed's chairman, ought to be basking in acclaim. President Clinton has renominated him to another four-year term. Yet Greenspan still faces a loud chorus of critics.

The complaint is that the Fed is so obsessed with fighting inflation that it has smothered strong economic growth. ''The Fed has pursued policies that have limited . . . growth to levels not much more than 2 percent,'' gripes Sen. Tom Harkin (D-Iowa), who has insisted on a full Senate debate on Greenspan's nomination. Growth could be higher by a percentage point, he says. Some economists and corporate executives agree. In a decade, the extra growth would raise the average American's disposable income another $2,500. What should we make of this?

Not much. It's true that, compared with the past, the economy's growth has slowed. Here are the numbers. Between 1960 and 1973, gross domestic product (the economy's output) increased at an annual rate of 4.2 percent. Since 1973, GDP growth has averaged only 2.5 percent. But it's hard to blame the Federal Reserve, because long-term economic growth stems from two factors—expansion in the work force and improvements in productivity—that the Fed hardly influences. Both have weakened.

Productivity (output per worker hour) grew almost 3 percent a year between 1960 and 1973. Average workers produced that much more—in everything from steel to air travel—each hour than the year before. Since 1973, increases average slightly more than one percent. No one knows what caused the drop. Labor force growth has also slackened because ''baby boom'' workers are no longer surging into jobs. The Fed can't offset these changes. It can't create more workers or order companies to be more efficient. (Indeed, it's possible that statistics miss some productivity gains; if so, economic growth is underestimated.)

Perhaps a simpler tax system, better schools and streamlined regulations would improve growth, but no one knows by how much—and these matters aren't the Fed's responsibility. Harkin and like-minded critics also forget the 1960s and 1970s, when the Fed tried to spur faster economic growth. The result was a disaster: two episodes of double-digit inflation (culminating in 12.3 percent inflation in 1974 and 13.3 percent in 1979); two crushing recessions (those of 1973–75 and 1981–82) to suppress the inflation; and huge increases in interest rates and real estate speculation that fostered the savings and loan crisis.

As a practical matter, the best the Fed can do is to nudge the economy toward its production potential while resisting higher inflation. Its tools for doing this are fairly crude. It can change only one market interest rate—the so-called Federal Funds rate, which is the rate at which banks make overnight loans to each other. All other interest rates (those on mortgages, car loans or corporate bonds) respond only indirectly and imprecisely to Fed policies. Even so, there's not much evidence that excessively high interest rates have hurt economic growth.

The Fed Funds rate is now 5.25 percent. Assuming inflation is 3 percent, the ''real rate'' is about 2.25 percent—a level critics think too high. It isn't, says economist William Dudley of the investment banking firm Goldman Sachs. Since 1980, Dudley finds, the ''real'' Fed Funds rate has averaged 3.3 percent. True, it was lower in the 1970s and, indeed, was often negative (that is, the interest rate was less than inflation). But it was this policy of easy credit that spawned double-digit inflation.

Dudley also points out another flaw in the argument. If interest rates were crushing, then credit-sensitive sectors of the economy—business investment, car sales—would be languishing. Well, they aren't. In 1996, sales of cars and light trucks are running 6 percent ahead of 1995. As for business investment, it has boomed. Between 1991 and 1995, annual spending increased 31 percent. For computers, spending jumped 183 percent; for transportation equipment, it rose 44 percent.

Where Greenspan's Fed has succeeded best is in smoothing economic growth by shifts in the Fed Funds rate. To spur recovery from the 1990–91 recession, the rate was cut, to a low of 3 percent in September 1992 and kept there until early 1994. Then the Fed began raising the rate gradually to prevent a growing economy from worsening wage and price inflation. By early 1995 the Fed Funds rate was up to 6 percent. Since then it's been dropped three times to sustain growth.

Even some occasional Fed critics have been impressed by the success of these maneuvers. ''I think [Greenspan's] done a superb job—better than I expected,'' says economist William Niskanen of the Cato Institute. ''at the end of 1994, I thought he was too tight and that there would be a recession in the fall of 1995.'' There wasn't. Economic growth slowed and then picked up.

Sooner or later, of course, there will be another recession. The Fed isn't all-powerful or all-wise. Long economic expansions generate excesses: overborrowing, overinvesting, speculation, inflation. There are some signs of these now. Stock prices seem to many observers, foolishly high. The American Bankers Association recently reported that credit card delinquencies in early 1996 were at a 15-year peak. It's impossible to keep the economy expanding in a simple, straight line. Still, Greenspan's performance merits another term.

Perhaps the Fed is simply a convenient scapegoat for all manner of economic anxieties. There's nothing wrong with debate if it illuminates important truths. The most important truth here is just the opposite of the critics' complaints. It is that the temptation to spur a little more economic growth at the risk of a little more inflation is self-defeating. it risks higher inflation, higher interest rates and a more unstable economy. The Fed has absorbed this lesson; so should everyone else.

[Washington Post, June 20, 1996]

LABOR SHORTAGES MAY BE SLOWING ECONOMY

(By John M. Berry)

Signing bonuses are nothing new for basketball players and Wall Street traders. But hamburger flippers?

Some fast-food restaurants in St. Louis are now paying as much as $250 in signing bonuses for new hires, according to the latest Federal Reserve survey of regional economic conditions released yesterday.

Companies all over the country are going to extra lengths to attract workers, the Fed reports, in the latest sign that the pool of unemployed workers has shrunk to the point that it is limiting economic growth. Unemployment nationally has hovered around 5.5 percent for the past 18 months and in more than half the states this spring it is below 5 percent.

A Minneapolis company is offering a chance at free vacations in Las Vegas for employees who recruit new hires. Temporary employment agencies in Chicago say more employers are snaring their workers for permanent positions. Banks in Salt Lake City are having a hard time finding tellers.

According to the Minneapolis Federal Reserve Bank, a growing number of firms wanting to hire skilled workers have stopped advertising because they got no responses. ''Perhaps we should call them 'discouraged employers,''' one Minnesota state official quipped.

In Minnesota, one of 10 states with a jobless rate of 3.9 percent or less, economic development officials say that businesses are looking more at whether people will be available to work at a new plant than at whether the company can get incentives or tax breaks to build there, according to the Minneapolis Fed. ''This parallels the dilemma that eastern South Dakota has faced for some time: It is difficult to attract new industry when labor seems short,'' the report said.

Many Fed officials have expressed surprise that, with the unemployment rate so low, there have not been more problems on the inflation front, with wages rising to attract workers. But the Fed's latest survey turned up only scattered instances in which tight labor markets were causing wages overall to increase rapidly.

Economists and government policymakers aren't exactly sure why labor cost haven't begun to rise more rapidly in response to the nation's low unemployment rate. Some analysts say the best explanation is twofold: Heightened concern among workers about job security in a world of corporate downsizing has made them squeamish about asking for raises. That's coupled with strong resistance by employers to raise overall wages because they know that in a low-inflation economy, it is difficult to raise prices to cover higher costs.

So even though some companies are having to increase their offers of starting wages to get workers, in the aggregate, pay hikes are still modest by historic standards.

And companies aren't going begging for workers everywhere in the country. Indeed, in places such as the District, New York and New Jersey, a southern tier of states stretching from Mississippi west through Texas to New Mexico and most import, California, finding workers isn't as tough as it is elsewhere. Joblessness in California, whose recovery has lagged that of the rest of the nation, is 7.5 percent. Only West Virginia at 7.7 percent and the District at 8.4 percent have higher rates.

To many economists, this is a picture of a nation essentially at full employment. That means that going forward, the economy can grow only as fast as its capacity to produce goods and services grows.

How fast that growth can occur is the subject of much debate these days. Indeed, Sen. Tom Harkin (D-Iowa) delayed the full Senate's vote to confirm Fed Chairman Alan Greenspan to a third term until today so he could hold a public discussion on the subject. Harkin believes the economy could grow much faster if Greenspan would only lower interest and stop worrying so much about inflation. ''A turtle makes progress only when it sticks its neck out, even though that is when it is most vulnerable,'' Harkin said in an interview. He said that the Fed cannot be sure the jobless rate can't be pushed down to 5 percent or 4.5 percent without making inflation worse.

Few people in official Washington agree with Harkin, though. The Clinton administration, the Congressional Budget Office and many private economists all peg the economy's capacity to grow at a little above 2 percent.

According to White House economist Martin Baily, the administration's estimate of 2.3 percent a year ''is based on supply-side factors,'' meaning labor supply and productivity.

If the economy is at full employment, additional labor is largely a matter of how fast the population is growing, including immigrants. When the post-World war II baby boomers were entering the work force in the 1960s and 1970s, labor supply was increasing roughly 2 percent a year.

Now it is increasing only about 1 percent a year. All other things equal, that difference means the economy's capacity to grow is a full percentage point lower than it used to be.

And gains in productivity slowed sharply after 1973 for reasons economists still can't explain fully. But over the past year, output per hour worked at private nonfarm businesses rose 1.3 percent, exactly the pace the administration foresees for coming years.

At a recent conference on economic growth sponsored by the Boston Federal Reserve Bank, Baily said that Fed policy doesn't directly affect either of these determinants of growth. ''I don't think monetary policy in the United States is seen as a significant restraint on economic growth in the next few years,'' Baily told the conference.

Thomas Hoenig, president of the Kansas City Federal Reserve Bank, said in a recent interview that in his district, where the average unemployment rate is not much above 4 percent, business executives aren't complaining about Fed policy.

The complaint Hoenig hears most frequently, he said, is, ''I can't get enough of the type of help I need. I have heard no one say, I could grow faster if you lowered interest rates.''

ALICE M. RIVLIN

Mr. LAUTENBERG. Mr. President, I wish to comment on the nomination of Alice Rivlin, our current Director of the Office of Management and Budget.

Mr. President, Alice Rivlin also has enjoyed a long and distinguished career in public service. She played a major role in building the Congressional Budget Office, and establishing CBO as a highly respected institution in this city.

She has had a distinguished career as an economist and policy analyst. And she has served admirably as Director of the Office of Management and Budget.

Mr. President, few objective observers would question the commitment of Alice Rivlin to fiscal responsibility. Her reputation as an advocate for fiscal integrity has been well established for many years.

She also has a reputation as someone who tells the truth. Alice Rivlin is not afraid to tell truth to power. And she is more than willing to ruffle a few feathers in the process. She has done so in the past. And I'm sure she would continue to do so at the Federal Reserve.

Mr. President, Alice Rivlin is a public servant, not a politician. That's the kind of person I would think all Americans should want at the Federal Reserve.

So, Mr. President, I urge my colleagues to support Alice Rivlin's nomination to the Federal Reserve Board. And I hope she can be confirmed by a strong, bipartisan vote.

Mr. SHELBY. Mr. President, I rise today in full support of the renomination of Alan Greenspan to the Chairmanship of the Federal Reserve Board. First nominated in 1987 by President Ronald Reagan, Chairman Greenspan has reduced the consumer price index from almost 7 percent then to about 2.6 percent now. In fact, inflation was below 3 percent in 1995, for its fifth consecutive year, marking the first sustained period of low inflation since the Kennedy administration.

Alan Greenspan has been renominated for a third term as Chairman of the Federal Reserve because he has earned the respect of his peers with a strong record of low inflation and economic stability. Indeed, Mr. Greenspan is currently leading us through a volatile transition from an overheated economy to one operating near capacity without inflation. To understand the importance of this transition, one must know that such a transition has never been achieved in the postwar period.

It has been said the highest honor a man can receive is recognition among his peers. Chairman Greenspan has received just that:

Thomas Juterbock of Morgan Stanley has said, ''The market sees Greenspan as the last gatekeeper of rational macroeconomic policy that will preclude inflation.''

Allan Meltzer, a professor at Carnegie Mellon University and a well-known Fed watcher, has said, ''He's the best chairman the Fed has ever had.''

Lawrence Lindsey, a current Fed Governor, has stated, ''If the curve you're grading on is 'What's attainable by mortals,' he certainly deserves an A.''

Indeed, former Vice-Chairman of the Fed, Princeton professor, and Clinton nominee, Allan Blinder, recently said of Greenspan's policies, ''This is perhaps the most successful episode of monetary policy in the history of the Fed.'' In fact, Mr. Blinder voted with Chairman Greenspan through a long series of rate increases in 1994.

With such high regards, a sound record, and possibly the strongest and safest banking system in history, I believe the renomination of Alan Greenspan as Chairman of the Federal Reserve is imperative to the continuity of monetary policy and certainty of financial markets.

I continue to believe the best monetary policy a country can have is one that strives for price stability and zero inflation. Inflation is a tax, plain and simple. Americans are taxed too much already and should not have the purchasing power of their $1 stolen from them. Hard-working Americans deserve to bear the fruits of their labor, and a strong, sound independent bank is essential to that goal.

Some claim that the Federal Reserve is not accountable to Congress. Some Members in the Senate have even suggested that we politicize the Federal Reserve Bank. I believe that would be the biggest mistake we could ever make. Congress and the President cannot even agree on a balanced budget deal, much less the rate of growth of monetary aggregates or the correct Federal funds rate. Monetary policy should not be subject to the whims of the political cycle.

Without qualification, the Federal Reserve Bank should maintain its independence.

Mr. Greenspan has always been mindful and considerate of Congress, but he has never let the political process manipulate him or the Federal Reserve. His expertise and strong will are needed at the central bank and we should show our appreciation of his diligent work by reconfirming his nomination to the Chair of the Federal Reserve Board.

I believe, Mr. President, these criticisms of the Federal Reserve are nothing more than an excuse not to adopt sound fiscal policies like a balanced budget and a pure flat tax. These criticisms are not based on an understanding of macroeconomic principles. I have not heard any discussions based on the purchasing-power-parity theory, interest-rate-parity theory, or even the rise in commodity prices. It is clear to me Mr. Greenspan is being made a scapegoat for individuals who will not adopt sound fiscal policies.

Lastly, I want to voice my support for the confirmation of Laurence Meyer as a Federal Reserve Governor. He has a sterling academic record as well as a demonstrated professional record as an economic forecaster and will have a great deal to offer the Board.

Mr. GRASSLEY. Mr. President, last week I said that the reappointment of Alan Greenspan is good news for jobs and the economy. Nothing that I have heard during the intervening time has changed my mind.

If we are truly interested in helping the American economy expand. If we truly intend to lower interest rates, then we must balance the budget. We must remove the Federal Government from the head of the line when it comes to borrowing money. It is that simple.

Being Chairman of the Federal Reserve is not an easy job. But Alan Greenspan has more than measured up to that job. He has been on the front line fighting the results of big Government spending. It is this spending that drives up interest rates. It is this spending that hurts ordinary Americans. It is this spending that is our responsibility to bring under control.

Until it is under control, it is Alan Greenspan's responsibility to try to keep the economy stable. It is his responsibility to bring confidence to the marketplace. It is his responsibility to keep inflation in check. He is doing this job well.

Earlier, I used agriculture as an example of the benefit of a balanced Federal budget. According to studies, if the Federal budget is balanced by 2002, the yearly benefit to agriculture would be $2.3 billion due to interest rate reductions. Additionally, increased agricultural cash flow from increased economic activity would be $300 million yearly. This adds up to an increase of $2.6 billion per year for the farm economy if we balance the budget. These studies are based on Congressional Budget Office estimates that short-term interest rates would decrease 1.1. percent and that long-term interest rates would decline 1.7 percent.

This is real interest rate reduction.

Looking at a balanced budget from another point of view, homeowners with an average 30-year home mortgage of $75,000 would have $37,000 over the life of the loan. This would occur with a balanced budget and subsequent interest rate drop of 2 percent.

Or a family with a 4-year car loan of $15,000 would save $900.

It is clearly better to reduce interest rates through congressional action on a balanced budget than a regulatory action by the Federal Reserve. The benefits will be much longer lasting.

In a recent article in the Institutional Investor, Federal Reserve Governor Janet Yellen, a Clinton administration appointee, asks several questions which go to the heart of what Alan Greenspan's opponents are saying. First she asks, if productivity is really increasing to the degree that growth advocates insist and current monetary policy is too restrictive, why is not unemployment rising?

Second she asks, if unemployment is above its natural rate and the potential growth rate is substantially higher than real growth, why is not inflation falling further? She answers these questions with this statement: ''The fact that inflation has been relatively stable for the past two years suggests an economy operating in the neighborhood of it potential output.''

How well put.

I would also point out that among the Governors of the Federal Reserve who have or are serving with Alan Greenspan there has been no fundamental disagreement about monetary policy. There would be dissention at the Fed if Mr. Greenspan's opponents had any credibility to their arguments at all.

I compliment Chairman Greenspan on his ability, in the light of the fiscally irresponsible Congresses of the past, to give stability to our economy. We have only to look at the record number of new highs that are being achieved by the stock market. This is real economic growth.

As I said last week, if we want to encourage economic growth we have no farther to look than ourselves. Balancing the Federal budget will promote and ensure real economic growth. And balancing the budget is our responsibility, not that of the Federal Reserve. It is time that we accept that responsibility and not try to look for scapegoats.

Let us start by continuing our efforts to bring the budget into balance and by confirming Alan Greenspan as Chairman of the Federal Reserve.

Mr. MACK. Mr. President, this afternoon, the Senate will vote whether or not to confirm Alan Greenspan for a third term as Chairman of the Federal Reserve's Board of Governors. I have listened to the debate about his performance as Chairman, and the claims that his policies have permitted annual economic growth of only 2.5 percent. Chairman Greenspan's critics say that his pursuit of price stability has compromised the growth of the economy, and they're trying to make him the scapegoat for today's slow growth.

My colleagues are right about one thing, slow economic growth hurts all Americans. It leads to stagnating incomes, fewer job opportunities and widespread insecurity about the future. You should hear the complaints I have been hearing from my constituents in Florida. They are frustrated. They do not understand why America—the greatest country in the world—a country with unlimited opportunity—is falling behind. It is frustrating to me, too, because I know we can do better.

But I think some of my colleagues have seriously misdiagnosed the problem. It is vitally important for us to understand why this economy's performance is so lackluster, and what policies can help it reach its full potential. In my estimation, Alan Greenspan is not the problem. Bad economic policies enacted by the Clinton administration and previous Congresses are.

Since 1978, the Humphrey-Hawkins Act has demanded that the Federal Reserve simultaneously promote full employment, maximum production, and price stability. In other words, the Fed is being told to try to finetune the economy. The failures and problems caused by this divided focus have lad many observers to conclude that an important first step on the road to meaningful economic growth is to have the Fed concentrate solely on what it can actually achieve: price stability.

Let me quote former Federal Reserve governor Wayne Angell, who wrote:

> It is completely appropriate to give our government multiple policy goals, including lowering unemployment, promoting economic growth, and maintaining stable prices. All of these goals contribute to the well-being of our people. There is much to lose, however, in charging the Federal Reserve with all these tasks.

The reason why the Fed can not achieve multiple goals is simple: it

only controls one monetary policy tool—the amount of money in the economy. This ability to create money and operate through the monetary base means that the Fed can control inflation. Sure, the Fed can also stimulate economic growth and create demand in the short run by printing additional money, but such growth is not without cost. Because, in the long run, printing excess money always leads to inflation, and thereby diminishes whatever economic gains were realized during the short run.

The Fed can only encourage long-run economic growth if Congress repeals the Humphrey-Hawkins Act. Therefore, I have introduced the Economic Growth and Price Stability Act, to focus the Fed solely on stable prices. This bill would serve to hold down the inflation premium part of interest rates, so that buying a home or a car, or taking out a student loan will be more affordable.

But even if the Fed, and its Chairman, achieve the goal of price stability, that is still no guarantee that Americans will see robust long-term economic growth. Do not get me wrong, price stability is absolutely necessary for growth, but by no means is it sufficient. The presence of harmful fiscal policy can render even the most beneficial monetary policy useless. That is part of the reason American families are feeling such anxiety today: the growth of Government is paralyzing the growth of the economy. In short, the Clinton administration's misguided fiscal policies have put working families in a bind.

Just look at how President Clinton's policies of high taxes and bigger Government have led to this weak economy. Let us compare growth under President Clinton to historical averages, reaching back to the end of World War II. The results are astonishing:

Since Bill Clinton became President, GDP growth has only averaged 2.4 percent at an annual rate. Compare that to the growth rate he inherited: in 1992, the economy grew at a robust 3.7 percent. During the entire decade before President Clinton took office, annual economic growth averaged 3.2 percent. During the last five periods of economic expansion growth averaged 4.4 percent, and economists—believe it or not—call today's economy an expansion. Finally, if you look at economic growth rates all the way back to the end of World War II: growth has averaged 3.3 percent.

President Clinton and his policies have simply failed to measure up. It is what some people call the Clinton growth gap or the Clinton crunch—the difference between the growth America has experienced under the Clinton administration and what we should reasonably have been able to expect, given historical trends. The Clinton growth gap has meant a lower standard of living for every child, every woman, and every man in America. We can do better. We must do better.

We can reverse this trend by balancing the budget, lowering taxes, cutting regulations and generally getting Washington off the backs of the American people. The key to achieving strong economic growth is our remarkable entrepreneurial spirit. The economy can grow faster, but Government needs to step out of the way. Bottom line, it is not the Federal Reserve and Chairman Greenspan who are causing today's economic problems; it is the harmful economic policies of President Clinton, his administration and previous Congresses.

Chairman Greenspan knows what needs to be done. He remains committed to price stability, and agrees that fighting inflation should be the Fed's only focus. But he has been hamstrung by counterproductive fiscal policies and a mandate to make the Federal Reserve all things to all people. He has been asked to do the impossible, and then some people turn around and blame him for the economy's anemic growth rate. That's unfair, and it's simply wrong. President Clinton and his allies here in Congress cannot rationally expect to keep taxing and regulating and spending, while the Fed indulges them by printing more and more money to feed their excess.

Therefore, I wholeheartedly support Alan Greenspan's nomination to a third term as Chairman of the Federal Reserve. I encourage my colleagues to stop looking for a convenient scapegoat for failed economic policies he had nothing to do with. I hope you will join me in voting for his renomination. And we can work together to enact meaningful pro-growth economic policies that will give Americans the kind of robust economic growth they deserve.

I say to my distinguished colleague from Iowa, I had the opportunity last week, as he knows, to listen to his presentation, and I think he is absolutely right in a couple of senses.

The first is that this is a very important debate. Unfortunately, again, you are right in the sense that a lot of this has been discussed on the basis of things really other than the role of the Federal Reserve. There has been a lot of discussion about character and personality. I happen to think a great deal of Chairman Greenspan, but that is not the point. The real issue here is what is the role of monetary policy.

The second point that we agree upon, at least—but it does kind of point out, I think, a difficult position for the administration—is you and I agree completely that it is unacceptable to reach a point in this country that we somehow have to believe that 2.5 percent real growth is something we ought to be proud of. Frankly, we are not going to be able to provide the opportunities to future generations, to our children and our grandchildren if we are going to accept the notion that this country can only grow at 2.5 percent real growth.

What will happen to working families? What will happen to farmers? What will happen to small businesses? What will happen to our families? What will happen to our retirees? I say to my distinguished colleague that I happen to be one of those individuals who, too, was affected by what happened in the 1970's.

I remind him that it was not just the seventies. Economies of all countries have been fighting this battle against inflation ever since there was the invention of money. But I remember those town meetings in the early 1980's when the folks in my part of the State of Florida were telling me of the destruction they experienced of their savings; that they lost, in essence, one-third of everything they had set aside and worked for throughout their entire lives, disappeared in a matter of 3 or 4 years because of inflation being out of control.

So I think it is important, in fact, I believe that the only objective of the Federal Reserve should be to maintain price stability.

I have heard my colleague, Senator HARKIN, say that there ought to be a balanced approach with respect to the Federal Reserve. I am going to give you my interpretation of what that means to have a balanced approach.

There are those who suggest that the Congress and the administration can be engaged in a series of economic policies that ought to be offset or balanced, if you will, by the Federal Reserve—have higher taxes, more Federal spending, more Washington interference in the workplace, in businesses in America. The end result of that is it slows down economic activity, it reduces productivity, and these same businesses are no longer able to produce at the level that they were prior to the intervention of fiscal policy.

So the theory is, let us have a balanced approach, let us see that the Federal Reserve, in essence, offsets bad fiscal policy. What we get is right back to where we were in the late 1970's, which is referred to as ''stagflation.'' Most people would understand it as too many dollars chasing too few goods, and that drives up inflation.

So what I will say to my colleague, this is a very important debate, because we ought to be focusing in on what is the role of the Federal Reserve, and I suggest probably in the months ahead, we will probably be engaged in a debate about the Humphrey-Hawkins Act. I think it is wrong to give the Federal Reserve a series of objectives. It is like having two bosses, if you will, or multiple bosses.

I see that the Chair is about to announce to me that the time has expired. I wonder if I can ask unanimous consent—

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

Mr. MACK. I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. How much time remains on both sides?

The PRESIDING OFFICER. The Senator from Iowa has 3½ minutes.

Mr. MACK. I ask unanimous consent for 3½ minutes.

Mr. HARKIN. Let's do 5 for both.

Mr. MACK. I ask unanimous consent that we both be given 5 minutes, for a total of 5 minutes each.

The PRESIDING OFFICER. There will be 5 minutes for both sides. Without objection, it is so ordered.

Mr. MACK. Mr. President, as I was saying, I think we will get ourselves engaged in a debate at some future time with respect to what is the central role of the Federal Reserve. But as I indicated a moment ago, it is interesting to me to listen to my colleague from Iowa talk about his dissatisfaction, which I happen to share, with the growth in the economy.

I believe that, with the reassessment of the economic growth in the last quarter from 2.8 percent to 2.3 percent, the growth rate during the Clinton years is somewhere around 2.3, 2.4 percent. But what is interesting about the debate is the fact that President Clinton, during his State of the Union Address before a joint session of the Congress, said that this is the strongest economy that we have experienced in three decades.

So, I am not real sure where the President is heading with this. If he is satisfied with 2.5 percent real growth, I find that shocking, and I think that the workers in America, the families of America who are telling me that they are extremely anxious about their future, about whether jobs are going to be available to them, would reject the notion that somehow or another we should be satisfied with 2.3 or 2.4 percent real growth.

Again, I agree with the Senator from Iowa that the whole purpose of economic policy is to increase the growth rate, to provide jobs, provide opportunity and increase the standard of living for all Americans. The question is how do we do it. Where we differ, frankly, is, I believe that raising taxes, adding burdens to American business, increasing their costs, overregulating, Washington interference slows down that economic activity and reduces opportunity. To have passed a series of policies that do those things and then say on top of that we want the Federal Reserve to compensate it is the worst of all worlds. You slow down economic growth, you slow down production, you increase the money supply and you drive inflation. That is, in my opinion, just the wrong approach to take.

Again, I remind my colleagues that in the late 1970's, one-third of everything that someone had worked for through their entire lives—and I am now talking about the retirees in the State of Florida who have talked to me about this issue, who lost one-third of everything they had earned throughout their entire lifetime and, I might add, a number of those being farmers from the Midwest who had spent their entire life toiling in the field, setting aside money for the day when they might retire—and in a 3- or 4-year period, one-third of everything they had saved disappeared.

So I happen to believe that the Federal Reserve is on the right course, the Federal Reserve should maintain its commitment to price stability, because with price stability, you have created an environment, if we put in place the right kind of fiscal policy, where we can get this country moving again. We can do better, and we must do better.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I yield myself the remainder of the time.

I thank my colleague from Florida. He is a good friend of mine. He is someone who has paid a lot of attention to this issue. Quite frankly, I agree with him on this whole issue of growth. I think we ought to have more debates on how we go about it. I think it is a legitimate area of debate for this Senate to engage in. I hope this debate today—in fact, I intend this not to be the end but the beginning of a process of debating this issue further this year and going on into next year, because it is too important an issue to just sort of shove aside how we go about increasing our growth.

The Senator from Florida is absolutely right. I agree with him. To sit back and say 2.5 percent growth is fine, that is condemning future generations of Americans, and our kids, to low growth, to terrible jobs, to not being able to buy their own homes and to having a good quality of life. I think it condemns America to a lower place among the nations.

We do not have to accept that 2.5 percent growth. I agree with the Senator from Florida. It is way too low. And whether it is the President or whether it is the Fed, whether it is the President's Council of Economic Advisers, his inner circle, or whether it is Mr. Greenspan and the people at the Fed saying that, they are both wrong. I think we ought to think about how we can have higher growth. And I believe we can.

Where perhaps my friend from Florida and I begin to diverge is here. My friend from Florida says that perhaps by decreasing interest rates, we will drive up inflation. He refers time and time again to the 1970's. Economist after economist, business leader after business leader will point to the fact that this is not the 1970's. The world has changed dramatically in the last 20 years. We have a world economy like we did not have 20 years ago. We have jobs offshore. We have production offshore. We have mass wholesaling and pricing in this country, that Wal-Mart experience, as I often call it, that we did not have 20 years ago.

So the whole world has changed. The factors that led to the inflation in the 1970's are not there today. The economy's ability to resist inflation is greater. Economists point to that time and time again. Just as I believe we spent untold billions of dollars refighting World War II during the 1950's and 1960's—I will not get into that—which led to some of the mistakes we made in Vietnam when that war was passed, I think we are spending untold billions of dollars now in taxes on the middle class because we are fighting the inflation war of the 1970's. But it is not there. There is no inflation there.

In fact, some economists will say, if you look at the U.S. economic history from World War II to the present, there really has not been much core inflation. What happened in the 1970's was energy shock. That is the largest factor that drove up inflation. Once we got over that we got back on course again.

So those threats are not there now. The threats that are there now is what, again, was in the paper this morning. People talked about the labor shortages, that they are bidding for jobs. Yes, in certain parts of the country, that is true. There was another story by the same writer in the paper this morning about the ''Economy's Growth Gets Right Down to the Bottom Line.'' What did he point out? That more and more of the growth is going to corporate profits, not to wages. What has that led to, in part? This story in the New York Times this morning, ''Income Disparity Between Poorest and Richest Rises.'' That is what it boils down to.

High interest rates are taxes, just as inflation is a hidden tax on those who have saved. High interest rates are hidden taxes on those who are working today. Are our working families trying to buy a car, educate their kids, buy a home? It is a hidden tax on our farmers. It is a hidden tax on our small businesses. That is why I argue for a balanced approach. We need balance between the concern for inflation and the need to maximize both employment and production.

A 1-percent increase in interest rates means the payment on the average home mortgage on a house costing about $115,000 is about an additional $1,000 a year. That is a tax. For the average Iowa farmer, a 1-percent increase in interest rates is an extra $1,500 in interest payments every year. That is a tax. For the average Iowa restaurant, the cost is $1,000 a year for a 1-percent increase in interest rates. That is where we are. It is sucking the lifeblood out of our small businesses, our farmers, our working families.

Let us get back to fundamentals. Who likes high interest rates? Well, if I have the money to loan, I like high interest rates.

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

Mr. HARKIN. Mr. President, I ask unanimous consent for 2 more minutes per side.

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

Mr. HARKIN. But, Mr. President, if you are on the side of working families,

and small businesses that have to borrow money to expand, or on the side of manufacturers that need new plants and equipment, or on the side of farmers who need to borrow money to get ahead and to provide for that growth in our economy, you need lower interest rates than what we have right now.

That really is the fundamental issue we are coming down to. The disparity between the rich and the poor grow. The middle class is paying more and more in interest rates. Check how much debt has gone up in our country. I mean privately held debt. People are paying too much on interest charges. To the extent that the Fed keeps that interest rate high, it is an unfair tax on our people. We cannot have the kind of growth we need with the kind of policies at the Fed.

This debate has been healthy. It has nothing to do with personalities, but it has a lot to do with monetary policy. As I have said before, Mr. President, the Federal Reserve System is not an entity unto itself. It is not a separate branch of Government. It is a creature of Congress. Congress has the right, the duty, and the obligation, I believe, to answer the real needs of our people and to provide for growth in our economy.

If that means we need changes at the Fed, then we ought to make those changes, whether it is an individual who leads it or in the way that it is structured and the way that it runs. We here in Congress ought to be making those changes so it can provide for more real growth in our economy.

I thank the President, and I thank my friend from Florida. It has been a good debate. I look forward to more of these as we go through the remainder of the year.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. First, I thank the Senator for his comments. I look forward to the debate as well. I yield 1 minute to Senator BENNETT.

The PRESIDING OFFICER. The Senator from Florida has 1½ minutes left.

Mr. BENNETT. Mr. President, I am interested to find out that Alan Greenspan and the Fed are now responsible for the disparity between the rich and poor, according to this morning's paper.

The fact is, Mr. President, there are fundamental economic laws that have operated in the 1950's, the 1970's, the 1990's, and will operate into the next century. The most fundamental of these is: You cannot repeal the law of supply and demand. Attempts to artificially repeal the law of supply and demand by artificial fiat make us feel good in the short run, but they get us into trouble in the long run. The most significant thing the Fed can do is control the money supply in such a way as to keep prices stable so markets can operate.

When we try to fiddle with markets by Government fiat, we get into all kinds of trouble and end up paying tremendous prices for that later on. I support Chairman Greenspan's nomination, and I support his stewardship at the Fed. I am proud to be a cosponsor with my friend from Florida of the bill to change the Humphrey-Hawkins Act so that the primary focus of the Fed becomes price stability.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has 1 minute.

Mr. MACK. Mr. President, I yield that minute to Senator SIMON.

Mr. SIMON. Mr. President, I ask unanimous consent that I may address the Senate for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. I did not hear the Senator.

Mr. SIMON. To address the Senate for 5 minutes.

Mr. HARKIN. Mr. President, I ask unanimous consent that I be given an additional 5 minutes.

Mr. MACK. Reserving the right to object, and it is not my intention to do so, I was going to allow the time to expire really, but I ask unanimous consent just for 2 minutes for myself, and then 5 minutes for Senator SIMON, and 5 minutes for Senator HARKIN.

Mr. BENNETT. Reserving the right to object, Mr. President, I had planned to speak in relation to Alice Rivlin once all the time had expired. If the agreement is going to extend time, then I want to be included. If time is going to be allowed to expire, I will await my time and ask for unanimous consent in the due course of events. I ask the Senator from Florida to decide whether he wants to go for that or let me take my chances.

Mr. MACK. If I could add Senator BENNETT for 5 minutes as well. I ask unanimous consent to do so.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Reserving the right to object, my friend from Utah, this is just to talk about Ms. Rivlin and not the Fed policy? Is the Senator going to talk about Fed policy?

Mr. BENNETT. No. I think we said all we need to say about Fed policy. I do wish to reserve my right at some point to comment about Alice Rivlin.

Mr. HARKIN. What is the unanimous-consent request?

Mr. MACK. The unanimous-consent request is 2 minutes for Senator MACK, 5 minutes for Senator SIMON, 5 minutes for Senator HARKIN, and 5 minutes for Senator BENNETT.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SIMON. I do not agree with Alan Greenspan on everything, but I think he has served this Nation well. I think it would be a great mistake to turn down his nomination. Where I differ with him is when we talk about full employment. The Fed tends to believe that, in and of itself, is inflationary. The reality, I think, is if you have people working and being productive, that can be deflationary, rather than inflationary.

But our principal problem—there are really two problems.

The Federal Reserve has nothing to do with either of these problems. Indirectly, in terms of interest, when the interest rates are down, that does help, but the problem is fiscal policy. We get our deficits down and interest rates will come down. The Wharton econometric model says if we balance the budget, we are going to have a 3½ percent lower crime rate in this country. Otto Eckstein's old group, I forget the name, says 2½ percent. Everybody says interest rates will be lower if we get the deficit down.

We have a very practical illustration. Mr. President, 30-year T bonds, January 15, 1993, 7.43 percent, and rumors are starting about a Clinton budget; February 12, after the proposal for reduction of the budget is known, interest rates go down to 7.18 percent; February 17, he announced his plan—something is wrong with the dates I have here; it must be February 7—down to 7.07 percent; July 16, it hit 6.58 percent; August 6, Congress passes the legislation, and interest rates are down to 5.9 percent, a 1½ percent drop because of a change in fiscal policy.

Let me just add, it is debt, not only the Federal Government but corporate debt and individual debt, too. We are just not a saving people. The phrase ''no downpayment'' is almost uniquely an American phrase that we do not find used in other countries. Corporate debt, our taxes, are structured in such a way that we encourage corporate debt. I have a bill I hope someday will pass that says corporations can deduct 80 percent on interest but 50 percent on dividends, so you encourage equity financing rather than debt financing. It is a wash in terms of the Federal Treasury. There are ways we can reduce the fiscal problems.

The second problem is one I do not hear talked about here, but one that the Federal Reserve has to be keenly aware of. That is, we have indexed a great many things. Indexation is in and of itself inflationary. Most nations have not indexed like we have, Social Security being the prime example. So if you have any kind of inflation, indexation feeds the inflation. When, in fact, we have inflation, we ought to be cutting back on expenditures, we will be making more expenditures. I do not care whether it is Alan Greenspan, Lester Thurow, Alice Rivlin, whoever it is, if we do not deal with indexation and fiscal policy, we are not going to have low interest rates that we ought to have.

Finally, Mr. President, I cannot think of anything that would be more disconcerting to the financial markets and cause interest rates to go up more

than if we were to reject Alan Greenspan. I think it is important that we confirm the President's appointment. I think it is the right appointment. I think Alan Greenspan has served this Nation well. My vote will be a resounding yes to confirm him.

Mr. MACK. Mr. President, I want to say to my colleague from Iowa, again, the fundamental debate does need to take place about monetary and fiscal policy. This is a debate that right now, frankly, is something that really concerns me. It has been something that has concerned me ever since I came to the Congress 14 years ago, that somehow or another the Congress would have more control over the Federal Reserve. My fear is that Congress has made a mess of fiscal policy. If Congress gets more involved in monetary policy, it would be a disaster for the country. So I start with that premise.

Again, I make reference to what Senator SIMON made reference to earlier, that when there was an impression that we were going to get our fiscal house in order, long-term interest rates, in fact, started to come down. It was not until the President vetoed the Balanced Budget Act that we saw long-term interest rates start to go up. There is a major, major role in this with respect to fiscal policy. It seems to me those individuals who have for years supported more Government, higher taxes, more regulation, more Washington interference, are now trying to say that because the economy is growing at 2.3 percent, somehow or another it is the Federal Reserve's fault. I fundamentally disagree with that.

Mr. DORGAN. Will the Senator yield?

Mr. MACK. If the Senator would allow me, we have had limited time.

The fundamental issue underlying this debate is taking responsibility. Again, I think that there are a number of individuals who want to shift the blame to create Alan Greenspan as the scapegoat for this economy. The reality is, the responsibility is with the Congress. It is what the Congress has done over the last number of years—again, increasing taxes, increasing Washington's interference, more regulation—that has slowed the economy down. The worst thing we can do now is to put more money into the system which creates inflation.

I yield the floor.

The PRESIDING OFFICER (Mr. KYL). The Senator from Iowa.

Mr. HARKIN. I understand I have 5 minutes. I will take 30 seconds. I want to respond to my friend from Florida by saying in 1993 the President offered and we passed a deficit reduction package. It went into effect October 1993. We began reducing the deficit, and the deficit has been coming down ever since. The deficit is now 60 percent lower than when President Clinton took office.

What did Alan Greenspan do? He raised interest rates. I thought it was supposed to be axiomatic, as we reduce the deficit, interest rates will come down. They will only come down if you have a Fed chairman that correctly corresponds Fed policy with monetary policy, with the fiscal policy of America. We have been reducing the deficit. Interest rates are going in the opposite direction. Please, somebody explain this anomaly.

Last, I want to say we have 7.5 million unemployed, 1 million not counted, 4 million part-time workers in America. These are people that can enter the work force. We can have labor growth and we can have that kind of growth without increasing inflation.

I yield the balance of my time to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I wish to make a couple of final points. One I wanted to make to the Senator from Florida, he is absolutely correct about what has happened to long-term rates as the market assesses what might or might not happen in fiscal policy. The point I wanted to make, there are a whole lot of folks who are not financing long term—farmers, business people, and others—and borrow from their banks in short- or intermediate-term credit. Every system is charging higher interest rates than they ought to because the Federal funds rate is above where it ought to be, by everyone's expectation, above where it ought to be where it has historically been, above where it ought to be, given the inflation rate. And as a result, every loan for every farmer and consumer bears a higher interest rate, because the Federal Reserve Board, as a matter of deliberate strategy, says, ''We want higher interest rates on these moneys.'' Why? Because their desire is to slow down the American economy.

The place where we would disagree is the Senator from Florida and others say if we would simply have fiscal policy in order, somehow we would have a higher growth rate. There will not be a higher growth rate in this economy under any condition, period, as long as the Federal Reserve Board decides they will limit growth rates to 2.2 or 2.4 percent. If they start getting nervous, and they start wanting to jump out windows because they see 3 percent growth rates, and they say, ''Gee, our economy cannot sustain that robust rate,'' which would not have been considered robust a few years ago; now it is considered a rate that will overheat the economy, then we will not have that rate.

The one thing the Fed is good at is putting the brakes on the economy. The only question I ask as we conclude this debate is why do we have such low expectations of this economy? Why such low expectations? Why should we not expect our economy, as productivity is improving, as the deficit is being reduced, why should we not have an expectation of this economy to be able to grow at a reasonable rate? The answer is we should. Do not sell the capability of this country short. Do not sell the capability of American workers or American businesses short. Let us allow this country to have a reasonable growth rate which can be done without further fueling the fires of inflation.

I say one other thing to my friends who allege this. This is not a case of some people wanting the Congress to run monetary policy. I do not believe Congress ought to make monetary policy. The Federal Reserve Board makes monetary policy. I happen to fundamentally disagree with the kind of policies at this point that they propose and pursue. But I will suggest some changes to the Federal Reserve Board. I think a little disinfectant with some sunlight would be very helpful to the dinosaur that meets mostly in secret, and imposes higher interest rates on every person in America. So I will impose changes, but not those that put Congress in the captain's chair on monetary policy. It is enormously healthy. We have not had a circumstance where we allowed some in the Congress to say we must reconfirm Mr. Greenspan for a second term with no debate by unanimous consent. That is not a healthy thing to do. I have great respect for Mr. Greenspan and have not said an unkind word about him. I fundamentally disagree with his policies. But I admire him as a person. I am not going to vote for him because I have disagreements with the direction of the Federal Reserve Board. But it is very healthy for us to start talking a bit about what kind of monetary policy will give this country the opportunity to be the kind of country it can be in the future with jobs and growth.

You know, there are two areas where there is almost no discussion on the floor of the Senate—trade policy and monetary policy, both of which have a profound impact on the lives of ordinary Americans. Try to talk about any of them and people say, you know, it is not something we want to talk about.

This is a very healthy thing for us to do. Some say, let us get the Government out of all of this. I say that the Government had to bail out—to the tune of a half-trillion dollars—a savings and loan industry, as all of us understand. They got involved in the junk bond fever of the 1980's and developed schemes by which they could park junk bonds at S&L's. Then they became nonperforming, and the American taxpayers paid the costs. And you want to keep Government out of all of this mess? No. It was created by those not looking over the shoulders of those in that industry.

The PRESIDING OFFICER. All time has expired.

Mr. DORGAN. I thank the Senator from Iowa. I will not conclude my thought. I hope we have another debate to talk about the twin goals of this country—stable prices and full employment, and how we can work with the monetary and fiscal policies to achieve those goals.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I am tempted to go on with this debate, but I think it has probably been exhausted sufficiently on both sides. I will use the time granted to me under the UC agreement to discuss another issue.

NOMINATION OF ALICE RIVLIN

Mr. President, when Alice Rivlin came by my office for a courtesy call prior to her confirmation hearing in the Banking Committee, I told her I would support her confirmation. When she appeared before the Banking Committee, I voted in favor of her confirmation.

I am in the habit of keeping my commitments. It is with great personal sadness, then, that I take the floor to announce that I will, in the coming vote, cast a vote against Alice Rivlin's confirmation. I want to take this time to explain why I have changed positions.

It is, in no way, an attack on Alice Rivlin personally, and, frankly, it is not even an attack on the response that she gave to Senator BOND in his role as subcommittee chairman on the Appropriations Committee. I know he was outraged by the response he received. I have served in the executive branch, and I know that Alice Rivlin was not a free agent in terms of the kind of response she gave. She was under orders from the White House, and she had no choice but to follow those orders or resign. She chose to follow the orders.

She sent a letter that was completely unacceptable to Chairman BOND and, frankly, completely unacceptable to me. I am a member of Senator BOND's subcommittee, and I was there when he asked the questions of the Administrator of the Veterans Administration: ''How are you going to administer your program when, according to the President's budget, in the outyears there is not going to be any money?'' He received the answer: ''I have been assured by the White House that the money will be there, the budget to the contrary notwithstanding.'' Senator BOND repeated the same question to the Administrator of NASA: ''How are you going to manage the program when you get to the outyears and there is not any money?'' He got the same answer: ''I have been assured by the White House that the money will be there.'' Senator BOND asked the question of the Administrator of the EPA: ''How are you going to fund your program when you get to the outyears and there is no money?'' She said: ''I have been assured by the White House that the money will be there.''

It is very clear that this White House is playing the oldest of Washington's shell game, which is to give you a long-term balanced budget statement and load all of the savings in the years that will come to pass after you are safely out of office, with the full knowledge that Congress will never, ever act in the way that you are projecting they will act. But you can get safely reelected and point back and say, ''Congress did not do what we told them.''

But it is even more blatant to put that kind of a budget before the Congress and then, at the same time, explicitly tell the managers of the programs: ''Manage your programs as if those cuts will never happen, because we know they will never happen.''

That is outrageous, Mr. President. It deserves some kind of public protest. It is sufficiently outrageous that I will register that protest in a way I have never registered a protest before. I will publicly break my word, publicly go back on a commitment. I committed to Alice Rivlin that I would vote for her when she called on me. I voted for her within the committee. It pains me deeply to now break that commitment and say that I intend to vote against her, and I will vote against her with the firm understanding that this has little to do with Alice Rivlin and a great deal to do with the Clinton White House. It has little to do with what she did when she was following orders to extend that kind of a response to Chairman BOND, and it has everything to do with the administration that gave her those orders and said: Pretend, dissemble, camouflage, confuse, but do not tell the Congress that which is blatantly obvious to everybody else, which is that this administration does not intend to keep its word on the President's budget.

So, Mr. President, perhaps it is a bit of rationalization on my part, but if the President will not keep his word on his budget and has sent the word directly to his administrators that they shall not keep their word, I think I am justified in breaking my word to Mrs. Rivlin and casting this protest vote, which I will do this afternoon.

I yield the remainder of my time.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, it is my understanding that we will be going back to the Defense authorization bill.

The PRESIDING OFFICER. The Senator is correct.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the Defense authorization bill. The clerk will report S. 1745.

The bill clerk read as follows:

A bill (S. 1745) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Kyl-Reid amendment No. 4049, to authorize underground nuclear testing under limited conditions.

The PRESIDING OFFICER. The pending amendment is the Kyl amendment.

Mr. GRAMM. Mr. President, I ask unanimous consent to temporarily set aside the Kyl amendment.

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

AMENDMENT NO. 4083

(Purpose: To require plans for demonstration programs to determine the advisability of permitting medicare-eligible military retirees to enroll in the Tricare program and the Department of Defense to be reimbursed from the medicare program for the costs of care provided to retirees who enroll)

Mr. GRAMM. 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 Texas [Mr. GRAMM], for himself, Mr. ROTH, Mr. INOUYE, Mr. LOTT, Mr. CRAIG, Mrs. HUTCHISON, Mr. THURMOND, Mr. REID, Mr. INHOFE, Mr. ROBB, Mr. MCCONNELL, and Mr. WARNER, proposes an amendment numbered 4083.

Mr. GRAMM. 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 end of title VII, add the following:

SEC. 708. PLANS FOR MEDICARE SUBVENTION DEMONSTRATION PROGRAMS.

(a) PROGRAM FOR ENROLLMENT IN TRICARE MANAGED CARE OPTION.—(1) Not later than September 6, 1996, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report that sets forth a specific plan and the Secretaries' recommendations regarding the establishment of a demonstration program under which—

(A) military retirees who are eligible for medicare are permitted to enroll in the managed care option of the Tricare program; and

(B) the Secretary of Health and Human Services reimburses the Secretary of Defense from the medicare program on a capitated basis for the costs of providing health care services to military retirees who enroll.

(2) The report shall include the following:

(A) The number of military retirees projected to participate in the demonstration program and the minimum number of such participants necessary to conduct the demonstration program effectively.

(B) A plan for notifying military retirees of their eligibility for enrollment in the demonstration program and for any other matters connected with enrollment.

(C) A recommendation for the duration of the demonstration program.

(D) A recommendation for the geographic regions in which the demonstration program should be conducted.

(E) The appropriate level of capitated reimbursement, and a schedule for such reimbursement, from the medicare program to the Department of Defense for health care services provided enrollees in the demonstration program.

(F) An estimate of the amounts to be allocated by the Department for the provision of

health care services to military retirees eligible for medicare in the regions in which the demonstration program is proposed to be conducted in the absence of the program and an assessment of revisions to such allocation that would result from the conduct of the program.

(G) An estimate of the cost to the Department and to the medicare program of providing health care services to medicare eligible military retirees who enroll in the demonstration program.

(H) An assessment of the likelihood of cost shifting among the Department and the medicare program under the demonstration program.

(I) A proposal for mechanisms for reconciling and reimbursing any improper payments among the Department and the medicare program under the demonstration program.

(J) A methodology for evaluating the demonstration program, including cost analyses.

(K) As assessment of the extent to which the Tricare program is prepared to meet requirements of the medicare program for purposes of the demonstration program and the provisions of law or regulation that would have to be waived in order to facilitate the carrying out of the demonstration program.

(L) An assessment of the impact of the demonstration program on military readiness.

(M) Contingency plans for the provision of health care services under the demonstration program in the event of the mobilization of health care personnel.

(N) A recommendation of the reports that the Department and the Department of Health and the Department of Health and Human Services should submit to Congress describing the conduct of the demonstration program.

(b) FEASIBILITY STUDY FOR PROGRAM FOR ENROLLMENT IN TRICARE FEE-FOR-SERVICE OPTION.—Not later than January 3, 1997, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report on the feasibility and advisability of expanding the demonstration program referred to in subsection (a) so as to provide the Department with reimbursement from the medicare program on a fee-for-service basis for health care services provided medicare-eligible military retirees who enrolled in the demonstration program. The report shall include a proposal for the expansion of the program if the expansion is determined to be advisable.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated in section 301, $75,000,000 shall be made available to carry out the demonstration program referred to in subsection (a) if Congress authorizes the program by the end of the Second Session of the 104th Congress.

Mr. GRAMM. Mr. President, let me define what I am trying to do here in basic terms and then outline very briefly the amendment and how it will work. I want to be brief because when you are winning, it is best to accept the victory and not do a lot of talking about it. But let me define the problem.

Twenty and 30 years ago, young Americans took up the country's call by joining the military. What they were promised when they joined the military is that, if they served out to retirement—20 or 30 years—among the benefits they would have is the ability to go into military medicine in retirement and, on a space-available basis, continue the same military medicine that they were accustomed to while they wore the uniform of the country. All over America hundreds of thousands of retirees are in a position today where that commitment was made 20 or 30 years ago. Interestingly enough, it is fulfilled from the moment they retire until they turn 65. But the moment they turn 65, they are now being excluded from the military medical system that they were promised they would have available to them.

The incredible paradox is that they are among the few Americans who have earned not one system of medical care in their retirement but two. They earned access to medical care by serving 20 or 30 years in the uniform of the country. In the middle of their career, Congress decided to have them pay the Medicare payroll tax and qualify for Medicare. So our military retirees now find themselves in a very select group of people where they have earned not one medical benefit but two.

What is now being done is they are being forced to opt to go on Medicare when many of them have grown accustomed to the military medical system and want to stay in it. We have also created two classes of retirees—those below 65 who qualify for military medicine and those 65 and above who lose it. At the very moment when people are turning 65, feeling more vulnerable about their health care, they are being uprooted from a system that they have grown accustomed to.

In addition to that, there is the fundamental fairness issue, it seems to me. Our military retirees serve 20 or 30 years to earn their benefit. We promised it to them, and now we are not living up to our word.

I submit that, if we want others to take up the cause of the country and to wear its uniform, it is very important that we live up to the commitments that we have made to those who have served in the past.

The right thing to do is to give people a choice; to say to every military retiree that when you turn 65 you can opt for the Medicare which you paid for and have Medicare reimburse your medical care through the private medical system of the country, or on a space-available basis, you can continue to use military medicine as you did before you turned 65. Then an agreement should be worked out between Medicare and the Defense Department as to who is going to pay for this medicine. My view is we should have subvention, and Medicare should reimburse our military hospitals. That is what I want. That is what is fair. That is what we promised people. We are living up to our word when we do that.

I have tried for the last 6 months to work out a bill to try to set up an experiment to prove that it does not cost more to give people the right to stay in military medicine, to have a test in three regions of the country—the south-central United States, Pacific Northwest, and Alaska—where we could take States that are quite different and see whether it costs more to have people stay in military medicine, if they choose to, or to simply go into Medicare and be reimbursed.

I thought we might be able to work that out. But with the session getting short, we have worked out a compromise that I believe is generally supported and is going to be accepted, I believe, on both sides. Our compromise will require the administration to submit, by September 6 of this year, a detailed subvention demonstration implementation plan. This will give the administration 2 months to make up their mind how they want to do it and still gives Congress time to act before we adjourn to set up the program this year. We also authorize $75 million of funding, based on Congressional Budget Office scoring, that would be available if in fact the program does cost more than conventional Medicare, which I doubt. This will allow us to move ahead but, on the other hand, not impose on Health and Human Services and the Defense Department a program that they are not fully comfortable with.

My objective here is not to impose a plan that I have written. My objective is to simply provide equity. It seems to me that equity is giving people the right to choose. My goal is that through this amendment, which hopefully we will adopt today, we will plant the seed whereby on September 6 the administration will give us a concrete program that we can adopt to begin the process of living up to the commitments we made to our military retirees. In addition, we also mandate that by January 3 the administration present a feasibility study to allow military retirees to consume medicine in our military hospitals on a fee-for-service basis.

With the combination of these two requirements I think we are making a major step toward living up to the commitments we gave to our military retirees.

I am hopeful that we will be successful with this amendment. I think it is a very important amendment. My view is, when you tell people you are going to do something, you have an obligation to try to live up to it. We can do that with this amendment and with a follow up that will be required from it.

I am delighted to know that the amendment is going to be accepted.

I thank the distinguished chairman of the committee.

I yield the floor.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Texas for offering this amendment. I think he is doing a great service to the people, in the military establishment especially.

Mr. President, I rise in support of this amendment. Legislation which would enable Medicare eligible military retirees to enroll in the military health care system is the issue about which I receive the most mail from South Carolina.

Military retirees and their families become very comfortable with the military health care system during their many years of service. In many cases, these veterans first experience with health care as adults came at the hands of an Army, Navy, or Air Force physician. Their children were born in military hospitals, untold numbers of colds, bouts of flu, broken bones, and other medical maladies have been treated within the military health care system.

Once these retired personnel reach age 65 and become eligible for Medicare, their status in the military system changes dramatically. Suddenly, through no fault of their own, they are no longer welcome except on a space-available basis. When these veterans of 20 or more years of dedicated, selfless service to the Nation discover that they are not welcome in the military health care system, it is a terrible shock. When servicemembers are recruited, they are told that one of the benefits of their service is health care for life. Throughout their career, when they reenlist, this benefit is reinforced by the career counselors. Whether or not these statements are true or even authorized by the military departments, they are made. Clearly, military personnel believe that health care for life is a benefit of their service.

As Members of Congress, we are accustomed to reading the details of the statutes. We know that there is no statuatory basis for a promise of health care for life if someone serves a full career in the military. We also know that when every American reaches age 65, Medicare becomes the primary health care provider. All of these laws notwithstanding, recruiters, career counselors, commanders, first sergeants, and the military support associations continue to lead servicemembers to believe that they can receive medical care within the military system forever. We have a commitment to live up to the promises made by representatives of the Nation. This amendment goes a long way toward accomplishing that goal.

Mr. President, I want to acknowledge the leadership, vision, and energy that Senator Dole brought to the issue of Medicare subvention. Senator Dole clearly took the lead within the Senate to make Medicare subvention a reality. If he were here today, this would be his amendment. He would be the champion leading the effort not only in the Senate but in discussions with our colleagues in the House of Representatives. I wish he could be here to share his passion for our veterans and to see the amendment move forward. I am sure he is following the issue where ever he is. I am proud to have worked with him to achieve the progress we have. I promise him and our veterans to continue the effort to get Medicare subvention fully implemented.

Mr. President, let me be clear. This amendment is not the end game. I had hoped that we could pass legislation which would have directed implementation of a Medicare subvention demonstration within 90 days of enactment. Unfortunately, the details could not be worked out to the satisfaction of all parties who must agree. We will get there and this amendment moves the effort forward. I congratuate Senator GRAMM again for his persistence in pushing his amendment. I thank Senator ROTH, chairman of the Finance Committee, for his cooperation and commitment to work with us to achieve Medicare subvention. I am confident that, together, we will pass Medicare subvention that will permit the Secretary of Defense and the Secretary of Health and Human Services to fully implement this important program. Only then will we have fulfilled our commitment to our retired military personnel and their families. I urge my colleagues to support this important amendment.

Mr. President, I thank the Chair and yield the floor.

Mr. COATS. Mr. President, I rise in support of this amendment which addresses Medicare subvention, a key issue to the military health care program and Medicare-eligible military retirees and their families.

To understand why Medicare subvention is so vital to the military health care system, it is necessary to understand how Medicare-eligible retirees are treated under the current system. Under Medicare everyone over the age of 65 receives medical coverage through Medicare. Therefore, when military retirees reach the age of 65 they lose their eligibility for CHAMPUS and may only use military medical facilities on a limited space-available basis. This care is delivered on a nonreimbursable basis, which means that Medicare does not pay for the health care which the Department of Defense provides to Medicare-eligible beneficiaries. The Department of Defense estimates that this cost exceeds $1 billion annually.

As defense downsizing progresses, and TRICARE, the managed care support initiative of the military health system moves toward full implementation, there will be less and less space available in military treatment facilities to provide care to retirees. This means that Medicare-eligibles will be forced out of a system which they understand and have come to rely on.

Medicare subvention would ensure Medicare-eligible military retirees health care by allowing them to enroll in TRICARE. Our military retirees have made great sacrifices for the defense of this Nation and have dedicated many years to military service. Medicare subvention would prevent military retirees and their families from being locked out of a system which they trust, which they understand, and which has been promised to them.

The amendment before us today does not provide authorization for Medicare subvention. It does, however display a commitment to this important initiative. While I am encouraged by the progress that has been made in this area, I also believe that it is necessary to incorporate Medicare subvention into an overall Medicare reform package.

I urge your support of this support amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. THURMOND. Mr. President, we have cleared the Gramm amendment now on both sides, and we are ready to vote on it. I call for a vote.

The PRESIDING OFFICER. Is there further debate on the Gramm amendment No. 4083?

Mr. THURMOND. I suggest we have a voice vote.

The PRESIDING OFFICER. If not there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 4083) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRIVILEGE OF THE FLOOR

Mr. THURMOND. Mr. President, I ask unanimous consent that a staff member of Senator Kyl, Kim Wold, be granted the privilege of the floor this afternoon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF ALAN GREENSPAN, OF NEW YORK, TO BE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The PRESIDING OFFICER. Under the previous order, the Senate will now return to executive session to consider executive calendar No. 517, which the clerk will report.

The legislative clerk read the nomination of Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System.

The Senate continued with the consideration of the nomination.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System?

Mr. THURMOND. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Minnesota [Mr. GRAMS] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The PRESIDING OFFICER (Ms. SNOWE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 7, as follows:

[Rollcall Vote No. 165 Ex.]

YEAS—91

Abraham	Frahm	McCain
Akaka	Frist	McConnell
Ashcroft	Glenn	Mikulski
Baucus	Gorton	Moseley-Braun
Bennett	Graham	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grassley	Murray
Bond	Gregg	Nickles
Boxer	Hatch	Nunn
Bradley	Hatfield	Pell
Breaux	Heflin	Pressler
Brown	Helms	Pryor
Bryan	Hollings	Robb
Burns	Hutchison	Rockefeller
Byrd	Inhofe	Roth
Campbell	Inouye	Santorum
Chafee	Jeffords	Sarbanes
Coats	Johnston	Shelby
Cochran	Kassebaum	Simon
Cohen	Kempthorne	Simpson
Coverdell	Kennedy	Smith
Craig	Kerry	Snowe
D'Amato	Kohl	Specter
Daschle	Kyl	Stevens
DeWine	Lautenberg	Thomas
Dodd	Leahy	Thompson
Domenici	Levin	Thurmond
Exon	Lieberman	Warner
Faircloth	Lott	Wyden
Feinstein	Lugar	
Ford	Mack	

NAYS—7

Conrad	Harkin	Wellstone
Dorgan	Kerrey	
Feingold	Reid	

NOT VOTING—2

Bumpers	Grams

The nomination was confirmed.

Mrs. HUTCHISON. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF LAURENCE MEYER, OF MISSOURI, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE

The PRESIDING OFFICER. The question is on the nomination of Laurence Meyer, of Missouri, to be a member of the Board of Governors of the Federal Reserve, which the clerk will report.

The legislative clerk read the nomination of Laurence Meyer, of Missouri, to be a member of the Board of Governors of the Federal Reserve.

The Senate proceeded to consider the nomination.

Mr. D'AMATO. Madam 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 are ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Laurence Meyer, of Missouri, to be a member of the Board of Governors of the Federal Reserve. The yeas and nays have been and the clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Minnesota [Mr. GRAMS] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 166 Ex.]

YEAS—98

Abraham	Ford	Mack
Akaka	Frahm	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grassley	Murray
Boxer	Gregg	Nickles
Bradley	Harkin	Nunn
Breaux	Hatch	Pell
Brown	Hatfield	Pressler
Bryan	Heflin	Pryor
Burns	Helms	Reid
Byrd	Hollings	Robb
Campbell	Hutchison	Rockefeller
Chafee	Inhofe	Roth
Coats	Inouye	Santorum
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Domenici	Lautenberg	Thompson
Dorgan	Leahy	Thurmond
Exon	Levin	Warner
Faircloth	Lieberman	Wellstone
Feingold	Lott	Wyden
Feinstein	Lugar	

NOT VOTING—2

Bumpers	Grams

The nomination was confirmed.

Mr. D'AMATO. Mr. President, I move to reconsider the vote.

Mr. ABRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF ALICE M. RIVLIN, OF PENNSYLVANIA, TO BE A MEMBER AND VICE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The PRESIDING OFFICER. The question now occurs on agreeing to the nomination of Alice M. Rivlin to be a member of the Board of Governors of the Federal Reserve System and the Vice Chairman of the Board of Governors of the Federal Reserve System, which the clerk will report.

The legislative clerk read the nomination of the Alice M. Rivlin, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System and to be a Vice Chairman of the Board of Governors of the Federal Reserve System.

The Senate proceeded to consider the nomination.

Mr. D'AMATO. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? It appears to be sufficiently seconded.

The yeas and nays are ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Alice M. Rivlin to be a member of the Board of Governors of the Federal Reserve System and to be a Vice Chairman of the Board of Governors of the Federal Reserve System? The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Minnesota [Mr. GRAMS] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 41, as follows:

[Rollcall Vote No. 167 Ex.]

YEAS—57

Akaka	Frist	Lugar
Baucus	Glenn	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Hatfield	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Byrd	Jeffords	Reid
Chafee	Johnston	Robb
Conrad	Kassebaum	Rockefeller
Daschle	Kennedy	Roth
Dodd	Kerrey	Sarbanes
Domenici	Kerry	Simon
Dorgan	Kohl	Simpson
Exon	Lautenberg	Snowe
Feingold	Leahy	Specter
Feinstein	Levin	Wellstone
Ford	Lieberman	Wyden

NAYS—41

Abraham	Faircloth	McCain
Ashcroft	Frahm	McConnell
Bennett	Gorton	Murkowski
Bond	Gramm	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Santorum
Campbell	Hatch	Shelby
Coats	Helms	Smith
Cochran	Hutchison	Stevens
Cohen	Inhofe	Thomas
Coverdell	Kempthorne	Thompson
Craig	Kyl	Thurmond
D'Amato	Lott	Warner
DeWine	Mack	

NOT VOTING—2

Bumpers	Grams

The nomination was confirmed.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the President shall

be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. LOTT. Mr. President, I had hoped we would have more Senators still on the floor so I can talk about this. While a great effort is being made by the managers of the bill on both sides, we still have a good way to go on this bill, and we do not have a lot of time to get our work done this year.

I urge Senators on both sides of the aisle, if you have an amendment, please come to the floor and offer it this afternoon. We have an agreement. We are going to go, I believe, to the Pryor amendment next. When that is completed, we would like to go to other amendments.

I am hearing Senators say, they are not ready, they would like to do it next week. We also intend to be in tomorrow. We would like to, after Senators talk in morning business, continue on the DOD authorization bill and get some amendments done.

Senator DASCHLE and I have been talking about exactly how tomorrow will be handled, and we are continuing to work on an agreement with regard to the small business tax package and minimum wage. We are very, very, very close, I think, to having an agreement, although it has been very difficult to get that.

But my point is this: If Senators will not come and offer their amendments during the day on Thursday, will not offer their amendments during the day on Friday, we are going to be in session next Tuesday night and Wednesday night and people are going to be whining about why we are here.

Senator DASCHLE and I are trying to show we want to be different, to be reasonable, get out before too late at night and go home and eat some supper with our families, but if we do not get cooperation during the daytime, it leaves us no option.

So I hope if Senators on both sides of the aisle have an amendment, I cannot imagine you are not ready now but you will be on Tuesday. Again, I urge Senators to do that so we can complete this bill early next week, because we still have the other bills we want to consider, including the possibility of one or two appropriations bills.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Senator PRYOR is recognized.

Mr. PRYOR. I think under the unanimous-consent agreement reached last night, I was to be recognized at this point. Mr. President, if there is no objection, I would like to yield 3 or 4 minutes to the Senator from Nebraska who wants to make a statement, and then also to the Senator from Idaho and the Senator from New Mexico who have an amendment that I understand will be presented and accepted perhaps by a voice vote. Then, if there is no objection, I hope to be recognized. I ask unanimous consent to do so.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nebraska is recognized.

Mr. EXON. I inquire of the Chair, what is the pending business before the Senate?

The PRESIDING OFFICER. Under the previous order, the amendments are to be laid aside so that the business of the Senator from Arkansas can be considered.

Mr. EXON. And the underlying amendment is a Kyl amendment?

The PRESIDING OFFICER. We have one amendment, No. 4052 of the Senator from Arizona.

Mr. EXON. I thank the Chair. I thank my friend from Arkansas.

VOTE ON THE NOMINATION OF ALICE RIVLIN

Mr. EXON. Mr. President, before I make a comment with regard to the Kyl amendment, which I have talked about previously and will be talking about again at some length, if necessary, I would just like to make a comment that I was rather disappointed in the votes we just had. We just had two controversial nominations: One, Mr. Greenspan and one, Ms. Rivlin.

I was very pleased to see, although the Greenspan nomination was controversial, it had a strong bipartisan flavor of support on a vote of 91 to 7. Frankly, I was quite disappointed at the lack of similar consideration for the other nomination that some people thought was controversial with regard to Ms. Rivlin.

We all know Alice Rivlin and have known her for a very, very long time. Frankly, I was discouraged that the bipartisan spirit that has to be part of the Federal Reserve Board was not accepted nearly as handily as was the Greenspan nomination.

Ms. Rivlin was confirmed by a vote of 57 for and 41 against. I thank those few Members on the Republican side of the aisle who at least, in this instance, showed the same bipartisan support that those of us on this side of the aisle showed for Mr. Greenspan. Frankly, I was quite disappointed and, I think, this is a point in the Senate that should be raised.

There must be sometime when we can lay partisanship aside and recognize and realize that we have a two-party system that still is designed to function here.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 4049

Mr. EXON. Mr. President, on the matter at hand with regard to the amendment offered by the Senator from Arizona on the Comprehensive Test Ban Treaty, I indicated in my remarks of yesterday that the administration, and others, who have a firsthand say, had a firsthand look at the Comprehensive Test Ban Treaty are all opposed to the Kyl amendment. I would like to read briefly at this time the letters that I have received from some of the agencies.

First, a letter I received from the United States Arms Control and Disarmament Agency, from Mr. John D. Holum.

Dear Senator EXON: Special Assistant to the President for Legislative Affairs, William C. Danvers, has provided you the Administration's reason for opposing the Kyl-Reid amendment to the FY 1997 Defense Authorization Bill.

As I represent the lead agency in the Comprehensive Test Ban Treaty negotiations in Geneva, I want to emphasize our belief that this amendment could undermine our efforts to negotiate a Treaty that would end nuclear testing for all time by suggesting a possible U.S. interest in resuming testing before the CTBT enters into force, that does not, in fact, exist.

Since the end of President Eisenhower's tenure, the United States has pursued a CTBT as the long-term goal. Now, when such a treaty is in hand, we urge the members of the Senate to oppose this amendment and to reaffirm our country's longstanding bipartisan efforts to achieve a CTBT.

A second memorandum from the Secretary of Energy:

The nuclear weapons testing moratorium instituted by the Hatfield-Exon-Mitchell amendment has made a significant contribution to the U.S. nuclear non-proliferation efforts. During the duration of the moratorium, the U.S. stockpile of nuclear weapons has remained safe and reliable. There is no requirement to resuming testing or even to plan to resume testing for safety or reliability or any other purpose, at this time. The Department of Energy, with the full support of the Department of Defense, has embarked on an ambitious stockpile stewardship program to ensure that the safety and reliability of the stockpile is maintained into the foreseeable future, without nuclear testing. One of the elements of stockpile stewardship is maintaining the readiness of the Nevada Test Site to resume testing if it is in the supreme national interest of the United States to do so. DOE is committed to maintaining this readiness, consistent with Presidential direction. DOE has confidence in the stockpile stewardship program and does not need the authority that this amendment would provide.

President Clinton has already outlined his commitment to maintain the safety and reliability of the nuclear stockpile under the existing moratorium and under a comprehensive test ban treaty. It is premature to make any statutory changes to the existing moratorium legislation. Any changes should be made only in the context of a negotiated and signed comprehensive test ban treaty. Any changes in the current statutory prohibition on underground nuclear weapons testing at

this time certainly does not help the negotiation process, and could very well set it back. Achieving a comprehensive test ban treaty is a key to reducing the global nuclear danger including proliferation of nuclear weapons and the spread of nuclear terrorism.

Last, Mr. President, a letter from the National Security Council.

These are of the same date.

DEAR SENATOR EXON: You have requested the Administration's views on the amendment offered by Senators Kyl and Reid concerning nuclear testing and the Comprehensive Test Ban Treaty (CTBT). The Administration is strongly opposed to this amendment.

We believe that the amendment could not come at a worse time. The states that are negotiating in the CTBT negotiations in the Conference on Disarmament (CD) in Geneva have set a deadline of June 28—next Friday—to complete this historic treaty. The amendment could be interpreted by some CD states as signaling a possible U.S. intent to conduct a round of nuclear testing after the CTBT is completed but before it enters into force. The Administration has no such plans or intentions, nor has it requested funding for any such tests. Moreover, the amendment would relax the existing legislative moratorium on U.S. testing just at the time the only remaining state still conducting nuclear tests, China, has announced that it will joint the global moratorium in September.

As you know, we are confident that our Science-Based Stockpile Stewardship will ensure that we can meet the challenge of maintaining the reliability and safety of our nuclear inventory absent nuclear testing. Nonetheless, because he considers this to be a supreme national interest of the United States, the President has pledged that after the CTBT enters into force, he would be prepared to withdraw from the Treaty in the event, however unlikely, that he was informed by the Secretaries of Defense and Energy that a high level of confidence in the safety or reliability of a nuclear weapon type critical to our nuclear deterrent could no longer be certified. There is concern on the part of the amendment's co-sponsors that if such a problem arose after September 30 but before the CTBT entered into force, current law would prohibit remedial testing.

If that were to occur, it is important to recognize that one or more years would be required to prepare for any resumption of nuclear testing at the Nevada Test Site. During this time, we would be able to obtain the necessary funding and legislative relief to carry out the necessary tests.

In short, the Administration believes that the Kyl-Reid Amendment is not only not necessary, but it also entails a genuine risk of delaying or derailing the CTBT negotiations just as we may well be poised to achieve a global ban on nuclear testing.

Signed by the Special Assistant to the President on Legislative Affairs.

Mr. President, I ask unanimous consent that these three letters be printed in the RECORD.

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

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY,
Washington, DC, June 19, 1996.

Hon. J. JAMES EXON,
U.S. Senate, Washington, DC.

DEAR SENATOR EXON: Special Assistant to the President for Legislative Affairs, William C. Danvers, has provided you the Administration's reasons for opposing the Kyl/Reid amendment to the FY 1997 Defense Authorization Bill.

As I represent the lead agency in the Comprehensive Test Ban Treaty (CTBT) negotiations in Geneva, I want to emphasize our belief that this amendment could undermine our efforts to negotiate a Treaty that would end nuclear testing for all time by suggesting a possible U.S. interest in resuming testing before a CTBT enters into force, that does not, in fact, exist.

Since the end of President Eisenhower's tenure, the United States has pursued a CTBT as a long-term goal. Now, when such a treaty is in hand, we urge the members of the Senate to oppose this amendment and to reaffirm our country's longstanding bipartisan efforts to achieve a CTBT.

Sincerely,

JOHN D. HOLUM.

STATEMENT OF SECRETARY OF ENERGY HAZEL O'LEARY

The nuclear weapons testing moratorium instituted by the Hatfield-Exon-Mitchell amendment has made a significant contribution to U.S. nuclear non-proliferation efforts. During the duration of the moratorium, the US stockpile of nuclear weapons has remained safe and reliable. There is no requirement to resuming testing or even to plan to resume testing for safety or reliability or any other purpose, at this time. The Department of Energy, with the full support of the Department of Defense, has embarked on an ambitious stockpile stewardship program to ensure that the safety and reliability of the stockpile is maintained into the foreseeable future, without nuclear testing. One of the elements of stockpile stewardship is maintaining the readiness of the Nevada Test Site to resume testing if it is in the supreme national interest of the United States to do so. DOE is committed to maintaining this readiness, consistent with Presidential direction. DOE has confidence in the stockpile stewardship program and does not need the authority that this amendment would provide.

President Clinton has already outlined his commitment to maintain the safety and reliability of the nuclear stockpile under the existing moratorium and under a comprehensive test ban treaty. It is premature to make any statutory changes to the existing moratorium legislation. Any changes should be made only in the context of a negotiated and signed comprehensive test ban treaty. Any changes in the current statutory prohibition on underground nuclear weapons testing at this time certainly does not help the negotiation process, and could very well set it back. Achieving a comprehensive test ban treaty is a key to reducing the global nuclear danger including proliferation of nuclear weapons and the spread of nuclear terrorism.

NATIONAL SECURITY COUNCIL,
Washington, DC, June 19, 1996.

Hon. J. JAMES EXON,
U.S. Senate, Washington, DC.

DEAR SENATOR EXON: You have requested the Administration's views on the amendment offered by Senators Kyl and Reid concerning nuclear testing and the Comprehensive Test Ban Treaty (CTBT). The Administration is strongly opposed to this amendment.

We believe that the amendment could not come at a worse time. The states that are negotiating in the CTBT negotiations in the Conference on Disarmament (CD) in Geneva have set a deadline of June 28—next Friday—to complete this historic treaty. The amendment could be interpreted by some CD states as signaling a possible U.S. intent to conduct a round of nuclear testing after the CTBT is completed but before it enters into force. The Administration has no such plans or intentions, nor has it requested funding for any such tests. Moreover, the amendment would relax the existing legislative moratorium on U.S. testing just at the time the only remaining state still conducting nuclear tests, China, has announced that it will join the global moratorium in September.

As you know, we are confident that our Science-Based Stockpile Stewardship will ensure that we can meet the challenge of maintaining the reliability and safety of our nuclear inventory absent nuclear testing. Nonetheless, because he considers this to be a supreme national interest of the United States, the President has pledged that after the CTBT enters into force, he would be prepared to withdraw from the Treaty in the event, however unlikely, that he was informed by the Secretaries of Defense and Energy that a high level of confidence in the safety or reliability of a nuclear weapon type critical to our nuclear deterrent could no longer be certified. There is concern on the part of the amendment's co-sponsors that if such a problem arose after September 30 but before the CTBT entered into force, current law would prohibit remedial testing.

If that were to occur, it is important to recognize that one or more years would be required to prepare for any resumption of nuclear testing at the Nevada Test Site. During this time, we would be able to obtain the necessary funding and legislative relief to carry out the necessary tests.

In short, the Administration believes that the Kyl-Reid Amendment is not only not necessary, but it also entails a genuine risk of delaying or derailing the CTBT negotiations just as we may well be poised to achieve a global ban on nuclear testing.

Sincerely,

WILLIAM C. DANVERS,
Special Assistant to the President for Legislative Affairs.

Mr. EXON. I thank my colleague from Arkansas.

The PRESIDING OFFICER. Under the unanimous consent agreement, the Senator from Idaho is now recognized.

Mr. CRAIG. Mr. President, let me thank the Senator from Arkansas for yielding me this valuable time.

AMENDMENT NO. 4085

(Purpose: To amend the Waste Isolation Pilot Plant Land Withdrawal Act)

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for himself, Mr. KEMPTHORNE, Mr. DOMENICI, Mr. BINGAMAN, Mr. MURKOWSKI, and Mr. JOHNSTON, proposes an amendment numbered 4085.

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

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

The amendment is as follows:

On page 446, after line 12, insert the following subtitle:

Subtitle E.—Waste Isolation Pilot Plant Land Withdrawal Act Amendments.

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the ''Waste Isolation Pilot Plant Land Withdrawal Amendment Act''.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an

amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Waste Isolation Pilot Plant Land Withdrawal Act (Public Law 102–579).

SEC. 2. DEFINITIONS.

Paragraphs (18) and (19) of section 2 are repealed.

SEC. 3. TEST PHASE AND RETRIEVAL PLANS.

Section 5 and the item relating to such section in the table of contents are repealed.

SEC. 4. MANAGEMENT PLAN.

Section 4(b)(5)(B) is amended by striking ''or with the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.)''.

SEC. 5. TEST PHASE ACTIVITIES.

Section 6 is amended—

(1) by repealing subsections (a) and (b),

(2) by repealing paragraph (1) of subsection (c).

(3) by redesignating subsection (c) as subsection (a) and in that subsection—

(A) by repealing subparagraph (A) of paragraph (2),

(B) by striking the subsection heading and the matter immediately following the subsection heading and inserting ''STUDY.—The following study shall be conducted:'',

(C) by striking ''(2) REMOTE-HANDLED WASTE.—'',

(D) by striking ''(B) STUDY.—'',

(E) by redesignating clauses (i), (ii), and (iii) as paragraphs (1), (2), and (3), respectively, and

(F) by realigning the margins of such clauses to be margins of paragraphs,

(5) in subsection (d), by striking '', during the test phase, a biennial'' and inserting ''a'' and by striking '', consisting of a documented analysis of'' and inserting ''as necessary to demonstrate'', and

(6) by redesignating subsection (d) as subsection (b).

SEC. 6. DISPOSAL OPERATIONS.

Section 7(b) is amended to read as follows:

''(b) REQUIREMENTS FOR COMMENCEMENT OF DISPOSAL OPERATIONS.—The Secretary may commence emplacement of transuranic waste underground for disposal at WIPP only upon completion of—

''(1) the Administrator's certification under section 8(d)(1) that the WIPP facility will comply with the final disposal regulations;

''(2) the acquisition by the Secretary (whether by purchase, condemnation, or otherwise) of Federal Oil and Gas Leases No. NMNM 02953 and No. NMNM 02953C, unless the Administrator determines, under section 4(b)(5), that such acquisition is not required; and,

''(3) the expiration of the 30-day period beginning on the date on which the Secretary notifies Congress that the requirements of section 9(a)(1) have been met.''.

SEC. 7. ENVIRONMENTAL PROTECTION AGENCY DISPOSAL REGULATIONS.

(a) SECTION 8(d)(1).—Section 8(d)(1) is amended—

(1) by amended subparagraph (A) to read as follows:

''(A) APPLICATION FOR COMPLIANCE.—Within 30 days after the date of the enactment of the Waste Isolation Pilot Plant Land Withdrawal Amendment Act, the Secretary shall provide to Congress a schedule for the incremental submission of chapters of the application to the Administrator beginning no later than 30 days after such date. The Administrator shall review the submitted chapters and provide requests for additional information from the Secretary as needed for completeness within 45 days of the receipt of each chapter. The Administrator shall notify Congress of such requests. The schedule shall call for the Secretary to submit all chapters to the Administrator no later than October 31, 1996. The Administrator may at any time request additional information from the Secretary as needed to certify, pursuant to subparagraph (B), whether the WIPP facility will comply with the final disposal regulations.''; and

(2) in subparagraph (D), by striking ''after the application is'' and inserting ''after the full application has been''.

(b) SECTION 8(d)(2), (3).—Section 8(d) is amended by striking paragraphs (2) and (3), by striking ''(1) COMPLIANCE WITH DISPOSAL REGULATIONS.—'', and by redesignating subparagraphs (A), (B), (C), and (D) of paragraph (1) as paragraph (1), (2), (3), and (4), respectively.

(c) SECTION 8(g).—Section 8(g) is amended to read as follows:

''(G) ENGINEERED AND NATURAL BARRIERS, ETC.—The Secretary shall use both engineered and natural barriers and any other measures (including waste form modifications) to the extent necessary at WIPP to comply with the final disposal regulations.''.

SEC. 8. COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS.

(a) SECTION 9(a)(1).—Section 9(a)(1) is amended by adding after and below subparagraph (H) the following: ''With respect to transuranic mixed waste designated by the Secretary for disposal at WIPP, such waste is exempt from treatment standards promulgated pursuant to section 3004(m) of the Solid Waste Disposal Act (42 U.S.C. Sec. 6924(m)) and shall not be subject to the land disposal prohibitions in section 3004(d), (e), (f), and (g) of the Solid Waste Disposal Act.''.

(b) SECTION 9(b).—Subsection (b) of section 9 is repealed.

(c) SECTION 9(c)(2).—Subsection (c)(2) of section 9 is repealed.

(d) SECTION 14.—Section 14 is amended—

(1) in subsection (a), by striking ''No provision'' and inserting ''Except for the exemption from the land disposal restrictions described in section 9(a)(1), no provision''; and

(2) in subsection (b)(2), by striking ''including all terms and conditions of the No-Migration Determination'' and inserting ''except that the transuranic mixed waste designated by the Secretary for disposal at WIPP is exempt from the land disposal restrictions described in section 9(a)(1)''.

SEC. 9. RETRIEVABILITY.

(a) SECTION 10.—Section 10 is amended to read as follows:

''SEC. 10. TRANSURANIC WASTE.

''It is the intent of Congress that the Secretary will complete all actions required under section 7(b) to commence emplacement of transuranic waste underground for disposal at WIPP no later than November 30, 1997.''.

(b) CONFORMING AMENDMENT.—the item relating to section 10 in the table of contents is amended to read as follows:

''Sec. 10. Transuranic waste.''.

SEC. 10. DECOMMISSIONING OF WIPP

Section 13 is amended—

(1) by repealing subsection (a), and

(2) in subsection (b), by striking ''(b) MANAGEMENT PLAN FOR THE WITHDRAWAL AFTER DECOMMISSIONING.—Within 5 years after the date of the enactment of this Act, the'' and inserting ''The''.

SEC. 11. ECONOMIC ASSISTANCE AND MISCELLANEOUS PAYMENTS.

(a) Section 15(a) is amended by adding at the end the following: ''An appropriation to the State shall be in addition to any appropriation for WIPP.''.

(b) $20,000,000 is authorized to be appropriated in fiscal year 1997 to the Secretary for payment to the State of New Mexico for road improvements in connection with the WIPP.

Mr. CRAIG. Mr. President, this is an amendment that has been offered by myself, Senator KEMPTHORNE, Senator DOMENICI, Senator BINGAMAN, Senator MURKOWSKI, and Senator JOHNSTON. It deals with a very important part of our nuclear waste management in this country, specifically the waste isolation pilot plant in Carlsbad, NM.

In working with all of our colleagues, our effort has been to remove the unnecessary delays and bureaucratic requirements to achieve the major environmental objectives that are so critical to the State of New Mexico, and to save taxpayers' money, while at the same time showing our country that we can move and act responsibly in the area of transuranic waste.

The amendment that we have before us, that will become a part of this pending legislation, will amend the Waste Isolation Pilot Plant Land Withdrawal Act of 1992 in several ways. It deletes obsolete language of the 1992 act. Particularly important is the reference and requirements for ''test phase'' activities.

Since the enactment of the 1992 act, the Department of Energy has abandoned the test phase that called for underground testing in favor of above ground laboratory test programs.

This amendment, Mr. President, is agreed to by the Department of Energy and by the Environmental Protection Agency. It allows the kind of phase necessary to test to completion to assure all of our citizens, and especially the citizens of New Mexico, that this is a safe and sound facility.

Most important, along with all of this, in streamlining the process, it would remove duplicative regulation and save the taxpayers' dollars. We hope that it will have that effect.

Mr. President, my amendment will clear up several unnecessary and delaying bureaucratic requirements that currently exist in the Waste Isolation Pilot Land Withdrawal Act, Public Law 102–579, so the WIPP facility can be opened. It also meets a major environmental objective while saving the taxpayer money.

The purpose of the WIPP is to provide for the safe disposal of transuranic [TRU] radioactive and mixed wastes resulting from defense activities and programs of the United States. These materials are currently stored at temporary facilities, and until WIPP is opened, little can be done to clean up and close these temporary storage sites.

Idaho currently stores the largest amount of TRU waste of any State in the Union, but Idaho is not alone. Washington, Colorado, South Carolina, and New Mexico also temporarily store TRU waste.

The agreement recently negotiated between the State of Idaho, the DOE and the U.S. Navy states that the TRU currently located in Idaho will begin to be shipped to WIPP by April 30, 1999.

This legislation will assure this commitment is fulfilled by clearly stating that it is the intent of Congress that the Secretary of Energy will complete all actions needed to commence emplacement of TRU waste at WIPP no later than November 30, 1997.

We cannot solve the environmental problems at sites such as the Idaho National Engineering Laboratory, Rocky Flats Weapons Facility, Savannah River and others without WIPP. The reason is obvious. Without a place to dispose of the waste, cleanup is impossible, and without cleanup, further decommissioning can not occur.

The goal of this bill is simple: To deliver on Congress' longstanding commitment to open WIPP by 1998.

This bill amends the Waste Isolation Land Pilot Plant Land Withdrawal Act of 1992 in several very significant ways.

It deletes obsolete language in the 1992 act. Of particular importance is the reference and requirements for test phase activities. Since the enactment of the 1992 act, the Department of Energy [DOE] has abandoned the best phase that called for underground testing in favor of above ground laboratory test programs. Thus the test phase no longer exists as defined in the 1992 law and needs to be removed so it does not complicate the ongoing WIPP process.

Most important, this amendment will streamline the process, remove duplicative regulations, save taxpayers dollars—currently the costs to simply watch over WIPP exceed $20 million per month.

This bill does not remove EPA as the DOE regulator of the WIPP. DOE has stated numerous times that it does not want to self regulate. The Department believes that having EPA as the regulator will instill additional public confidence in the certification process and the facility itself, once it opens.

I am skeptical regarding EPA. EPA has a poor record of meeting deadlines. The WIPP, as a facility, is ready to operate now and is basically waiting on EPA's final approval. The schedule DOE has established to meet the opening dates is an aggressive but not entirely workable timetable. It is aggressive only if EPA can accomplish its tasks on time. Because of EPA's demonstrated inability to meet schedules and to avoid imposing unnecessary large financial burdens on the taxpayer, there is a strong sentiment in the Congress to remove EPA from the WIPP regulatory role. Based on assurance made to me by the EPA, my amendment does not follow this course. However, if EPA again falters, I will have to reconsider this position in future legislation.

Idaho and the Nation need to have the WIPP opened sooner rather than later. Each day of delay is costly, nearly $1 million per day in taxpayers dollars, and the potential dangers to the environment and human health resulting from the temporary storage of this waste continue.

It is time to act. We must, if we are to clean up sites such as Idaho's. We must act to dispose of this task permanently and safely for future generations. This amendment clears the way for action.

Mr. MURKOWSKI. Mr. President, I would like to ask permission to engage in a colloquy with Senator CRAIG, regarding his amendment to the Waste Isolation Pilot Plant Land Withdrawal Act. The WIPP Land Withdrawal Act withdrew land near Carlsbad, NM, for construction of a disposal facility for transuranic waste produced by the Department of Energy. That act was reported out of the Committee on Energy and Natural Resources and enacted in 1992. In addition to providing for the withdrawal of the land, the WIPP Land Withdrawal Act imposed many substantive and procedural licensing requirements on the WIPP facility. Many of these requirements are redundant or have become moot as a result of changes in the program, and should be eliminated. S. 1402, a bill introduced by Senators CRAIG and JOHNSTON to amend the WIPP Land Withdrawal Act, has been referred to the Energy and Natural Resources Committee. Does Senator CRAIG acknowledge that this amendment addresses matters within the jurisdiction of the Committee on Energy and Natural Resources?

Mr. CRAIG. Yes, this amendment would alter the language of the WIPP Land Withdrawal Act, which is within the jurisdiction of the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Although this amendment is within the jurisdiction of the Committee on Energy and Natural Resources, I support the substantive changes made by the amendment and understand that it is important to make these changes in a timely manner. Therefore, I will not object to its inclusion in the Defense authorization legislation.

Mr. CRAIG. Mr. President, I now yield to Senator BINGAMAN from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I do support this amendment. Let me say that when this bill was first introduced in the House, and in the Senate as well, I felt it was fatally flawed in several respects. It did, in its first form, propose to eliminate the regulatory role of the Environmental Protection Agency. It proposed to allow nondefense transuranic waste to go to WIPP, as well as defense-related transuranic waste. It needed the periodic recertification requirement by the Environmental Protection Agency. It deleted authority by EPA to issue criteria.

All of those problems have been solved in the amendment that is now about to be voted on here in the Senate. I am very pleased to see the improvements that have been made. I have been in touch with the Under Secretary of Energy, Thomas Grumbly, to get his comments on this proposed amendment which we are now getting ready to vote on. He indicates that he and his staff have reviewed it in detail and support the amendment.

I have been also in touch with Mary Nichols, the Assistant Administrator for Air and Radiation in the Environmental Protection Agency. She indicates that she is satisfied with this proposed amendment and believes it is something that we should enact.

Mr. President, the foremost concern that I have had, and that I believe most Members have had, in this facility from the beginning has been whether or not we were adequately protecting the health and safety of our citizens as we went forward to design and develop this facility. I am persuaded we are still adequately protecting that health and safety, even under this language. For that reason, I will support it.

I will make the point which needs to be crystal clear that transuranic waste can only be disposed of underground at this facility upon completion, by the Administrator of EPA, of a certification that final disposal regulations have been complied with. That essential safeguard is foremost in this amendment. I think that is very important for the people of New Mexico. I urge my colleagues to support the amendment.

Mr. CRAIG. Mr. President, I yield to Senator DOMENICI from New Mexico.

Mr. DOMENICI. Mr. President, I thank Senator CRAIG. Senator BINGAMAN, it is a pleasure to be with you here on the floor on this issue.

Let me start by reiterating the last comments that Senator BINGAMAN made. What is most important to us, and what is most important to the people of New Mexico, is that as this underground facility proceeds to the point where it may be opened and finally be a repository, that it be subject to the Environmental Protection Agency's most strict requirements with reference to health and safety. As a matter of fact, they must certify it before it can be opened.

I will read for the RECORD an excerpt from a letter dated May 15, 1996, from the EPA, Mary D. Nichols, assistant administrator for Air and Radiation. I ask unanimous consent that the entire communication be printed in the RECORD.

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

U.S. ENVIRONMENTAL PROTECTION AGENCY, OFFICE OF AIR AND RADIATION,

Washington, DC, May 15, 1996.

Hon. TOM UDALL,
Attorney General of New Mexico,
Santa Fe, NM.

DEAR MR. UDALL: The purpose of this letter is to follow-up on our telephone conversation of April 1, 1996, and respond to your letter of April 4, 1996, regarding the Environmental Protection Agency's (EPA) role in the regulation of the Waste Isolation Pilot Plant (WIPP).

The Administration is presently formulating its position on H.R. 1663, the ''Skeen-Schaefer Bill'' amending the WIPP Land

Withdrawal Act (Pub. L. 102–579). I appreciated hearing your views about the legislation and am pleased we had the opportunity to discuss these important issues. The Agency believes that the amended H.R. 1663 is a sound bill and makes critical improvements over its antecedent. As you are aware, the Skeen Bill, as originally proposed, severely limited EPA's regulatory oversight of WIPP and, we believe, did not provide adequate protection of human health and the environment. Mr. Schaefer's amendments retain EPA as the independent regulator of the WIPP, eliminates extraneous requirements, and leaves intact the provisions of the 1992 WIPP Land Withdrawal Act (LWA) that require EPA to certify whether the WIPP facility will comply with the disposal regulations in accordance with public rule-making procedures.

You specifically expressed concern about the impact of the proposed legislation on the WIPP certification process. In particular, that review of individual chapters of the Department of Energy's (DOE) compliance application by EPA would require the Agency to commit to a position on the sufficiency of each chapter without public input. While it is true that EPA will review individual chapters prior to receipt of the full application, the Agency will make no determination on the adequacy of any part of the application until: 1) EPA has received the full application from the department; and 2) public comments have been considered. In fact, the Agency has received the first of these chapters and placed it in the certification docket (No. A–93–02) on May 1, 1996. We will be providing written comments to DOE on these chapters. The written comments will also be placed in the public dockets.

You also raised concerns about the effect of the proposed legislation on the public's opportunity to provide comment on DOE's application. As in the past, EPA will continue to foster an open public process. As you will note in the final compliance criteria (40 CFR Part 194), EPA will hold two 120-day public comment periods after it receives DOE's full compliance application. The proposed legislation will not affect the process established in the compliance criteria. Furthermore, EPA never planned for or created any process for formal public comment on the completeness of the application. Therefore, since DOE is providing the Agency with individual chapters prior to submission of the full application, the public will have an additional opportunity to comment on, and additional time to review, the individual chapters, via EPA's public docket.

Additionally, you were concerned that the proposed H.R. 1663 removes the ability of the Administrator to enforce compliance of the WIPP with any law, regulation or permit requirement described in §9(a)(1) of the LWA. We feel that EPA's ability to ensure compliance with these environmental laws is not compromised by removal of this provision since: 1) the environmental laws described in the LWA contain their own enforcement provisions; and 2) 40 CFR Part 194 imposes requirements that DOE perform remedial actions if the Administrator determines WIPP to be in non-compliance with the transuranic waste disposal standards.

Further, with regard to H.R. 1663, you expressed concern about the WIPP being used as a repository for transuranic wastes that did not result from a defense activity. The proposed legislation does not alter the definition of exposure or capacity limits of either remote- or contract-handled wastes set forth in the LWA. If EPA were to certify the WIPP, this provision would allow for disposal of a relatively small amount of waste from a site in West Valley, NY. If WIPP were capable of accepting this waste within the capacity limits of the LWA, it would be imprudent to needlessly spend taxpayer money for a site similar to WIPP for such a small amount of transuranic waste simply because the process which generated the waste was not defense related.

Lastly, I am disappointed that you have elected to bring a legal challenge against EPA's WIPP compliance criteria published on February 9, 1996. The EPA considered the views of all interested parties, including the comments and suggestions made by your office, in deciding the contents of the final criteria. As you know, EPA held two public comment periods totaling 135 days, and conducted a series of public hearings in New Mexico. Ultimately, the Administrator of EPA, exercising her independent judgment, determined the contents of the final criteria. We believe EPA's criteria are sound and will effectively protect public health and the environment.

I want to assure you that EPA will keep communication lines open as it undertakes the public rulemaking proceeding to certify whether the WIPP facility will comply with the final disposal regulations. We recognize the importance of this matter to you and all of the residents of New Mexico.

If you have questions regarding this letter or any other concerns, please contact Frank Marcinowski of my staff at (202) 233–9310.

Sincerely,

MARY D. NICHOLS,
Assistant Administrator for Air and Radiation.

Mr. DOMENICI. This letter is written to the attorney general of New Mexico in response to inquiries. ''The Agency believes that the amended H.R. 1663''—I will state here, for all intents and purposes, is the Craig amendment—''is a sound bill and makes critical improvements over its antecedent. As you are aware, the Skeen bill, as originally proposed, severely limited EPA's regulatory oversight of WIPP and, we believe, did not provide adequate protection of human health and the environment. Mr. Schaefer's amendments retain EPA as the independent regulator of the WIPP, eliminates extraneous requirements, and leaves intact the provisions of the 1992 WIPP Land Withdrawal Act (LWA) that require EPA to certify whether the WIPP facility will comply with the disposal regulations in accordance with public rule-making procedures.''

I do not think it can be any clearer that the EPA wholeheartedly supports this amendment.

In summary, the amendment is almost identical to language agreed to by DOE and EPA. That agreed-upon language was reported by the House Commerce Committee on April 25 and was recently reported by the House National Security Committee.

The legislation would:

Delete the authorization included in the WIPP Land Withdrawal Act to conduct tests underground at WIPP using transuranic waste.

The DOE decided in 1992 not to conduct such tests.

Require the Secretary of Energy to acquire the oil and gas leases on the WIPP site unless the EPA determines the acquisition is not necessary.

Create an incremental licensing process under which DOE will submit chapters of the license application one at a time, and EPA would comment one at a time. The EPA would make a final, encompassing decision. The EPA could request additional information from the DOE at any time.

At the suggestion of the EPA and DOE, provides that the final disposal regulations for WIPP will be the radiation protection standards at 40 C.F.R. 191, and not the Solid Waste Disposal Act.

The WIPP Land Withdrawal Act required that DOE certify compliance with both, a step DOE and EPA agreed would be redundant.

The legislation allows the DOE to use engineered barriers, natural barriers, or any other measures—this last provision being a new provision—to ensure WIPP complies with the final disposal regulations.

This allows DOE to use waste treatment, such as vitrification, to ensure WIPP's compliance.

Deletes the section of the WIPP Land Withdrawal Act dealing with retrieval of the waste emplaced during the test phase since no waste will be emplaced during a test phase.

States that it is the intent of Congress that the Secretary of Energy make a final decision with respect to the disposal of transuranic waste at WIPP by November 30, 1997.

Provides $20 million per year to New Mexico for impact assistance beginning upon enactment of this legislation.

The waste isolation pilot plant is a permanent disposal facility in a salt bed 2,000 feet below New Mexico for transuranic waste generated in DOE's nuclear weapons complex.

Transuranic waste means waste that includes both radioactive material and solvents, metals, and other refuse from manufacturing.

The WIPP Land Withdrawal Act enacted on October 30, 1992, authorized a 5- to 8-year test phase at WIPP during which transuranic waste could be placed in WIPP and monitored.

Because of the nature of the waste intended for WIPP, the act also made WIPP subject to two sets of regulations: radiation protection standards and the Solid Waste Disposal Act.

In 1993, DOE decided it was not necessary to conduct underground tests at WIPP using transuranic waste.

At the suggestion of DOE and EPA, this amendment makes the WIPP Land Withdrawal Act consistent with the current test phase at WIPP and removes the redundancy of two sets of regulatory standards.

First, the amendment deletes those sections of the WIPP Land Withdrawal Act dealing with tests using transuranic waste.

Second, the amendment, at the suggestion of the EPA, subjects WIPP to the radiation protection standards and removes the application of the Solid Waste Disposal Act. This is necessary to remove the confusion that occurs by imposing two different sets of regulations.

Frankly, it is clear that WIPP can meet with Solid Waste Disposal Act, its 10,000-year radiation protection standards are going to be the real challenge and the relevant regulations.

There are two centers of controversy in that law. First, what hurdles did DOE have to overcome to use transuranic waste for tests in WIPP. And second, what information had to be revealed by those tests for a final disposal decision to be made.

DOE subsequently decided that tests with transuranic waste were not needed.

These changes primarily deal with taking out those provisions of the law dealing with tests using transuranic waste.

The law also required WIPP to meet two different standards for the disposal of waste at WIPP: radiation release standards and solid waste standards.

DOE and EPA now agree that demonstrating compliance with both standards is redundant—they agree compliance is best proven by meeting the radiation release standards.

The original law also provided New Mexico $20 million per year beginning in the first year transuranic waste was shipped to WIPP. The money was to be used for roads and other improvements.

Because no transuranic waste has been brought to WIPP for the tests, New Mexico has lost out on $160 million that would have otherwise been provided. This law starts the flow of that money immediately so New Mexico can make the necessary road upgrades.

I indicate to the Senate that it is clear this waste isolation pilot project, one of a kind, the first ever, can meet the requirements of the Solid Waste Disposal Act. It is not that act that is cumbersome and difficult to achieve, but rather the 10,000-year radiation protection standards. Let me repeat: 10,000-year radiation protection standards. These are the standards that are going to be in effect after this amendment is adopted and becomes law. They are in effect now.

All we are suggesting is the EPA and the Department of Energy thinks this is the only set of standards that we need follow and that those that are found under the Solid Waste Disposal Act are redundant and not needed in this case.

I thank all who have cooperated in getting us this far. It is time to get this done. This amendment has been reported out on April 25 from a House committee and was reported recently by the National Security Committee in the House. It has had hearings and been looked at over and over by the regulatory agencies. I believe it is time to adopt it.

I yield the floor.

Mr. THURMOND. Mr. President, I rise in favor of this amendment. It is very similar to WIPP legislation introduced last year in the House. That legislation was agreed to by the Department of Energy and Environmental Protection Agency and goes a long way toward breaking down the regulatory log jams that are holding up this much needed facility.

The story of WIPP is a story of false starts and needless delays. The delays in opening WIPP have created a massive backlog of materials that are currently being stored at DOE sites throughout the country—often in drums and boxes—at a very high cost to the taxpayers. These wastes need to be stabilized and prepared for shipment to a permanent and safe repository. The WIPP facility provides a safe and permanent disposal option and we should move forward as rapidly as possible with its opening.

Mr. President, we need this facility. We need it now. This amendment will help move this facility forward and I wholeheartedly support its passage.

Mr. KEMPTHORNE. Mr. President, I am pleased to introduce and support the Craig-Kempthorne-Domenici-Bingaman amendment relating to the WIPP land withdrawal. The proposed amendment will simplify the land withdrawal process in a number of important ways. For example, the amendment will reduce the waiting period between the final certification and opening of WIPP from 180 days to 30 days, improve interaction between the Department of Energy and the Environmental Protection Agency, remove duplicative regulatory requirements, save the taxpayers money, expedite the opening of WIPP, and protect the environment, health, and safety of the citizens of New Mexico. In addition, the amendment is similar to a legislation in the other body which is supported by the Department of Energy and the Environmental Protection Agency. This is a good bipartisan amendment, supported by the administration, and I am pleased to be a cosponsor of this important piece of legislation.

The WIPP facility plays an important role in our Nation's effort to show its citizens that we can deal responsibly with the nuclear waste left over from our victory in the cold war. The WIPP facility will serve as a permanent repository for transuranic waste. The waste will be entombed in a salt cavern that slowly seals itself over time. I have visited the WIPP facility and I met with numerous local and State officials from New Mexico who strongly support this project.

THe WIPP facility will also allow the Federal Government to meet its court-enforceable commitment to the State of Idaho to ship transuranic waste from Idaho by 1999. The proposed amendment will help ensure the opening of this important facility in time to meet this commitment. WIPP will serve as a symbol of our ability to dispose of nuclear material in a safe and rational way.

I want to thank the two able Senators from New Mexico, Senator DOMENICI and Senator BINGAMAN, for their help in drafting this bipartisan amendment. I also want to thank Senators MURKOWSKI and JOHNSTON, chairman and ranking member of the Energy Committee, for their support for this important amendment.

Mr. CRAIG. Mr. President, let me close by thanking all of my colleagues for the cooperation and their participation in getting this amendment to the floor. Without the help of Senator DOMENICI and Senator BINGAMAN, this amendment would not be here today. They are the host States, but they have also been extremely diligent in assuring the citizens of their State that once this is in place, it is environmentally sound and certainly protects, in all ways, their citizens.

In my State of Idaho, the Governors' agreement is now negotiated and completed by a Federal court order. It could not go forward without this amendment. Now we have this amendment in place, protecting all of the environmental concerns involved, solving many of the environmental problems we have in our State.

Let me thank my colleagues for their participation. I ask that the amendment be adopted.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 4085, offered by the Senators from Idaho and New Mexico.

The amendment (No. 4085) was agreed to.

Mr. CRAIG. I move to reconsider the vote.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Arkansas is now recognized.

CONFORMING AMENDMENT TO GATT LEGISLATION

Mr. PRYOR. Mr. President, I will take a very few moments this afternoon to refresh my colleagues' memories as to why we are here again to act on the GATT issue.

When the Congress passed the GATT legislation, we made two changes to U.S. patent law. First, all patents were extended from 17 to 20 years in length. That is the law today for all patents in every industry in this country.

Second, we adopted a grandfather provision which permitted generic competitors in all industries to go to the market on the original 17-year date if they had made a substantial investment and if they paid a royalty to the patent holder.

But according to the U.S. Trade Representative, the Food and Drug Administration, the Department of Health and Human Services, and the Patent and Trademark Office, the Congress accidentally—and I underline ''accidentally''—omitted a conforming amendment in the GATT legislation. The CONGRESSIONAL RECORD also documents our very clear intent to apply the GATT treaty universally without any special exceptions.

Mr. President, as a result of our error and this missing amendment, a single

industry has now been exempted from the GATT grandfather provision. Every single product, every company, and every industry in this country abide by this law today, except for one particular industry. That is the prescription drug industry.

The omission of this single industry has created a loophole that benefits just a few drug companies, especially Glaxo Wellcome. The loophole, Mr. President, in the GATT legislation has given them a $2.5 billion windfall. That's $5 million a day. As long as we wait and talk and do nothing, these few drug companies are receiving millions every day which are subsidized by the elderly, by the veterans and by the consumers of America. Today, we have an opportunity to put this to an end. We could bring equity at long last to this issue.

Glaxo Wellcome is the largest drug firm in the world. It is today receiving a lion's share of this multibillion dollar windfall through the world's best-selling drug, Zantac.

Today, generic competitors to Zantac who have already made a substantial investment and readied their products for the market have been unintentionally denied access to the marketplace. Today, they have idled their factories and their workers wait for us to act. Today, the consumers of America are being denied cheaper prices for their drugs which they should have received months ago.

The amendment that I offer today, Mr. President, on behalf of Senator BROWN, Senator CHAFEE, and Senator BRYAN, is simply the conforming amendment which should have been a part of the GATT legislation. This is our opportunity to fix a glaring legislative mistake. In the process, we will save American consumers literally billions of dollars, and we will bring our country into full compliance with our treaty obligations.

Let me remind my colleagues how our friend and colleague, Senator PAUL SIMON of Illinois, recently summed up this issue. He said: ''This is as classic a case of public interest versus special interest as you could find.''

Last December, we brought this amendment to the floor and unsuccessfully sought an up-or-down vote on it. There was an effort to kill the amendment with a sense-of-the-Senate resolution that called for a hearing in the Judiciary Committee. When we withdrew the amendment from consideration, we promised, like General MacArthur, to return.

But there have been many delays and postponements in the last several months and procedural obstacles thrown up by our opponents. For some mysterious reason, the hearing that was promised took more than 2 whole months to schedule. A markup was promised for March. It was postponed three different times for over a month.

Mr. President, here is the price for our opponents' delay. Here is the price that American consumers are paying and putting into the pockets of a few drug companies. As a result of our delay, a few companies have collected $990 million as a windfall. We are just 2 days short of permitting this to grow into a round $1 billion windfall, a windfall which continues because of a congressional mistake we have still not corrected.

We have waited and waited and waited, while the Judiciary Committee held a hearing and markup. The result of all this delay is that now the record simply verifies that a costly mistake has been made which needs correction. Ambassador Mickey Kantor, then our Trade Representative, testified at the hearing that our amendment ''would do nothing more than fulfill our obligation to be faithful to what we had negotiated in the GATT treaty.'' He confirmed that it ''would carry out the intent, not only of the negotiations and what the administration intended, but also what the Congress intended.''

When the Judiciary Committee marked up the GATT amendment, it regrettably ordered and reported out a fatally flawed substitute version. According to a letter from the Department of Health and Human Services which has been distributed to each Member of the Senate, the FDA and the Department concluded that the Judiciary or Hatch substitute does not close the loophole. In fact, it would be virtually impossible for a manufacturer to obtain FDA approval under the substitute.

To add insult to injury, Mr. President, the substitute version includes a veritable treasure trove of patent extensions and special breaks for other drug companies that are completely unrelated to the GATT loophole. So we have all waited endlessly, enriched a few companies and ended up with a substitute which is worse than the status quo.

I would add, Mr. President, that the committee marked up on May 2. The committee has yet to file a report on the substitute version. In fact, the committee also has guaranteed we delay for months the consideration of our amendment. Moreover, I understand the distinguished committee chairman, Senator HATCH, will offer the substitute version as a second-degree amendment to our own and further delay consideration.

Mr. President, the only compromise in the committee's work is a compromise of the interests of consumers and our Nation's vital health care programs—Medicaid, Defense Department and CHAMPUS, VA, Public Health and Indian Health Service clinics, private health insurers, and the like.

We have a very clear choice before us this afternoon. We can do the right thing. We can do the right thing by voting for this amendment. We can do the right thing by defeating the substitute version offered as a second-degree amendment by the distinguished chairman of the committee, the Senator from Utah.

Many have asked me, Mr. President, why we are offering this amendment on the Department of Defense authorization bill. There is a very simple answer. First, this amendment would save the Department of Defense over $30 million. The Department of Defense has estimated that it spends $900 million a year on prescription drugs for our servicemen, servicewomen, and their families. According to estimates consistent with earlier CBO estimates for Medicaid savings, our GATT amendment would cut those expenditures by over $30 million.

Mr. President, for this reason alone, we think this is a proper place to bring this amendment to the attention of our colleagues with the intention of receiving their consideration and, hopefully, a positive vote.

I also want to summarize, if I might, Mr. President, what I think may become a second-degree amendment to the Pryor-Chafee-Brown-Bryan bill. First, the Department of Health and Human Services, as I have mentioned, has analyzed the substitute. They concluded that ''it does not close the GATT loophole'' and includes legal requirements that are ''nearly impossible to meet'' and ''present nearly insurmountable obstacles'' to fair competition.

Second, the substitute was originally drafted by the brand name drug industry association, PHRMA. We have a copy of the PHRMA draft. As PHRMA wrote, the substitute ''protects the interests of PHRMA members''—not consumers, and certainly not taxpayers.

As a result, Mr. President, the Hatch amendment that we may be considering—which looks like a Rube Goldberg design as far as judicial procedure is concerned—may be described better as a Christmas tree. It is a Christmas tree of special interest favors, new multimillion dollar patent extensions and provisions intended to overturn Federal court decisions. This Christmas tree preserves the GATT loophole. It blocks generic competition. It protects the Glaxo windfall. It overturns the Federal courts. It guarantees endless litigation. It rewards companies like Merck, Zeneca, and Wyeth with millions in special protections without giving my colleagues and I a single credible legal or policy justification.

Finally, Mr. President, Professor Leo Levin, professor emeritus of law at the University of Pennsylvania, is one of the world's leading experts on the problems of cost and delay in civil litigation. I thought it would be interesting if we mentioned the opinions of Professor Levin, the former director of the Federal Judicial Center. Here is what Professor Levin thinks of the HATCH substitute:

> My conclusion is that, conservatively, I would expect several years to elapse from the commencement of litigation under the Hatch substitute until final disposition on appeal.

In other words, this is an ironclad guarantee to Glaxo and its compatriots that they can collect their entire $2.5 billion windfall. It is an ironclad guarantee that competition will be

locked out and that windfall profits flow to the wrong parties.

There is also a sense-of-the-Senate provision in the Hatch substitute which purports to urge parties to litigate quickly. I am sure my colleague from Utah will say this is a godsend; that it will somehow compel the parties to go to court and resolve their differences quickly so that we can have free and orderly competition.

Here is what Professor Levin concluded about that particular sense-of-the-Senate resolution embodied in the Hatch substitute:

> This is a laudable sentiment but without legal impact. In short, it evidences recognition of the problem but not an effective solution to the problem.

Mr. President, I could talk on and on about this issue. I do not think we need to talk a lot longer about it. I would like to say that I would enjoy proceeding, if we could. I would be more than happy to enter into an agreement on time. I have not actually sent the amendment to the desk. I will do so at the appropriate time. But I see my colleague from Utah standing. I wonder if he has any comment.

Mr. HATCH addressed the Chair.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, do we have a time agreement?

Mr. PRYOR. We do not have a time agreement. I am more than willing to enter into a time agreement for a vote on our amendment to take place.

Mr. THURMOND. What does the Senator suggest as a time agreement?

Mr. PRYOR. Mr. President, I suggest that we have no more than an hour, or perhaps even a 45-minute time agreement. I would like to inquire of my friend from Utah whether this is agreeable.

Mr. HATCH. We are agreeable to 45 minutes.

Mr. THURMOND. Equally divided?

Mr. PRYOR. I am just proposing that.

Mr. HATCH. It is my understanding that Senator PRYOR has an amendment. I believe the Senator from South Carolina will second degree the amendment. I will agree to a 45-minute time limit divided equally on both amendments in order to accommodate my colleague, even though I think I need almost a half-hour to speak on it. But I will agree to 45 minutes.

Mr. SPECTER. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. There has been no unanimous consent offered.

Mr. HATCH. Is the time limit we discussed agreeable to my colleague?

Mr. PRYOR. I would like to make two requests. One, before I agree to such a proposal, I would like to see the amendment in the second degree. I think it would be only fair because the Senator from Utah has had our amendment for many, many months. Second, I would like to ask, should we agree to a time agreement, that I may be immediately recognized should my amendment be tabled or should the second-degree amendment prevail.

Mr. HATCH. I did not hear your whole sentence. Your amendment to be what?

Mr. PRYOR. Should the Hatch amendment be agreed to. I should phrase it that way.

Mr. HATCH. Would the Parliamentarian please state what the offer was?

Mr. THURMOND. Mr. President, could we pause long enough to let him send the amendment to the desk?

The PRESIDING OFFICER. Would the Senator from Arkansas wish to restate the last point that he made?

Mr. PRYOR. Mr. President, I would like to put in a unanimous consent request, that should the Hatch second-degree amendment prevail—and I not get the vote on my amendment—that I might be immediately recognized for an up-or-down vote on my amendment.

Mr. HATCH. If we prevail?

Mr. PRYOR. I would simply reoffer my amendment, and I would like to be recognized for that purpose. And I ask unanimous consent.

Mr. HATCH. If we win, we win; if we lose, we lose. But we prefer to do it in the routine parliamentary fashion.

Mr. PRYOR. Mr. President, that is precisely what I seek. If I may, I think we can resolve this together if I may respectfully suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative check proceeded to call the roll.

Mr. HATCH. 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. HATCH. Mr. President, I ask my dear friend from Arkansas to correct me if I misstate this. It is my understanding that Senator PRYOR will neither offer his amendment today, nor does he believe anybody else will offer a similar amendment today. We will save the vote for another day, but we will each make a few comments today.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, under the circumstances—and the circumstances are these—I have been waiting since January to offer this amendment. I think, as a Member of this body, I am entitled to have a vote on this amendment. Maybe it is a tabling motion. I am not objecting to that. But I think on this particular amendment and on this language, this Senator is entitled to this body deciding, yes, we do want this amendment or, no, we do not.

That is all I have asked for all year. It is all I am asking for now. It is apparent I am not going to get that, so I am not going to send up an amendment at this time, and I will wait until next week or I might wait until next July or I might wait until next September, whenever. But I am going to offer this amendment, and I hope to get a vote on it. I hope my colleagues will allow me to get a vote on it. I have never second degreed an amendment here in 18 years—never. In fact, I have never even been tempted to. And I am not going to second degree my own amendment. I am not going to get cute, parliamentarily speaking. I hope my colleague from Utah will understand and the managers will understand, but I just do not think it is protecting of my rights now to offer an amendment.

If I may, I would like to ask unanimous consent to add a few cosponsors: Senator BYRD, Senator DORGAN, and Senator LEAHY, all to be original cosponsors.

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

Mr. PRYOR. Mr. President, I thank the Chair.

Mr. HATCH. Mr. President, I am prepared to put this to a vote today. As I understand it, if the Senator had called up his amendment, then the distinguished Senator from South Carolina would have called up his second-degree amendment, which is certainly both legitimate under the rules and a common practice in the Senate whenever we have some of these very sensitive, difficult matters to consider.

Let me say this, Mr. President. I admire my colleague from Arkansas. We have been friends for years. He feels very deeply about this.

But there are many of us who feel very deeply about our side of the issue.

When the time comes, I will ask my colleagues to vote against the Pryor amendment and to vote for the compromise legislation on the GATT/Pharmaceutical patent issue that was recently adopted by a bipartisan vote of the Senate Judiciary Committee.

I know many here are asking themselves how many times are we going to have to debate this issue? And, for that matter, they are asking why we are considering it on an underlying bill that is, at best, only tangentially related to the subject matter of our amendment.

We considered the Pryor amendment in the Finance Committee last fall as part of the budget reconciliation bill, and the committee rejected it.

We considered the amendment on December 7 as an amendment to the partial-birth abortion ban bill, and the amendment was not adopted.

My colleagues attempted to offer the bill as an amendment to the Kassebaum-Kennedy health insurance bill, and it was withdrawn.

In counterpoint to the efforts of Senator PRYOR, the Judiciary Committee held a February 27 hearing, as I promised.

On May 2, we held a markup, as I promised.

We wanted to hold the markup before then, but consideration of the immigration bill took longer than anyone anticipated.

The point is that we held the markup, and we did it in as expedited a fashion as possible.

I am pleased to say that, with the support of Senators SPECTER and HEFLIN, we were able to forge a bipartisan compromise that was adopted on a 10-to-7 vote.

We are working hard to file a report on this bill. We do not yet have the CBO on-budget estimates, nor do we have their newly required off-budget, unfunded mandates analysis.

In short, to bring the Pryor-Brown-Chafee amendment up at this time would be to attempt to short-circuit the process that is well underway in the Judiciary Committee.

Senator PRYOR's amendment is nothing more than an effort to engender support for an approach that the Judiciary Committee has already considered and rejected.

And while my preference would be to consider the Judiciary Committee compromise as a freestanding measure, it is clear such will probably not be the case.

I have been around this body long enough to know that you cannot always pick the time and place for a debate. If today is the day, so be it.

I thank my colleague for accommodating me in bringing it up at this time and giving me notice. I hope that in the future we can notify each other on this and, as always, treat each other fairly.

I also hope that a great majority of my colleagues will agree with me that the Pryor amendment is unwarranted and that the Judiciary Committee compromise that Senator THURMOND will offer should be adopted by the Senate.

Before I describe why I think the Judiciary Committee compromise is preferable to the Pryor amendment, I just want to recognize the fact that many in this body have spent a considerable amount of time on this somewhat arcane but very important subject.

Although I firmly disagree with Senators BROWN, PRYOR, and CHAFEE on this matter, I respect each of them. They are good Senators. Frankly, I would prefer working together with them rather than in opposition.

In fact, despite our sharp differences on this particular issue, Senators PRYOR, CHAFEE, and I are working closely together on the Finance Committee to ensure adequate funding of community health centers and rural health clinics.

I will miss debating DAVID PRYOR on these tough and complex pharmaceutical issues when he retires from the Senate later this year. The same is true for HANK BROWN, our good friend.

I will also miss Senator HEFLIN, a great friend who has been on the Judiciary Committee almost as long as I have. He studied this issue carefully as well. I fully agree with the observation he made at one of our recent Judiciary Committee hearings that the generic and innovator segments of the industry have much more in common than they have in contention. I was particularly pleased that Senator HEFLIN voted for the Judiciary Committee compromise, although he voted with Senator PRYOR last December.

I also wish to commend especially my colleague from Pennsylvania, Senator SPECTER, with helping to develop the Judiciary Committee compromise proposal. He played a critical role in this effort. I want everyone to understand how much the other members of the Judiciary Committee and I value his leadership in this area.

The issue we are debating today centers on the complex interrelationship between the GATT treaty, the Federal Food, Drug, and Cosmetic Act, and the Patent Code. In particular, the question is how certain transition rules contained in the Uruguay Round Agreements Act apply to pioneer pharmaceutical patents which have been extended by the URAA.

This is a tough, contentious issue. That is because there is an inherent tension involved in setting and adjusting the incentives that will result in both the next generation of breakthrough therapies and in making low-cost generic equivalents available. The American people need both breakthrough innovator products and lower cost generics.

But as former Surgeon General Dr. C. Everett Koop has wisely observed:

> ". . . we must resist the temptations of short-term thinking and look at the big picture. The only way to make a real difference in health care costs—and a real difference in people's lives—is to find cures for AIDS, cancer, Alzheimer's and . . . other diseases. The way to do that is to encourage support for medical innovation.

And make no mistake that retaining incentives for biomedical research is exactly what the Judiciary Committee compromise does.

I am extremely pleased to tell my colleagues that Dr. Koop spoke to my staff this morning and said that he is supportive of the Judiciary Committee compromise that I am offering today.

Let me outline the key elements of the Judiciary Committee compromise proposal that I developed, working, as I have said, in close consultation with Senator SPECTER who has a very deep interest in this issue.

This is important, to lay this out, so people realize it is not quite as simple as the distinguished Senator from Arkansas articulates here on the floor today.

The compromise allows generic drug applications which were submitted to the FDA by June 8, 1995, and were found to be sufficiently complete so as to permit substantive review to be approved for marketing during the GATT transition period.

As with other industries under the URAA, a court must first determine that the generic drug manufacturer met the substantial investment requirement.

This investment could not solely consist of expenditures related to the development and submission of an abbreviated new drug application, or ANDA.

Under the Judiciary Committee compromise, the court would take into account activities that were specifically related to the research, development, manufacture, sale, and marketing, and other activities undertaken in connection with the specific generic drug application.

The Judiciary compromise also includes a provision advocated by Senator BIDEN, to treat patents in force on June 8, 1995, as a result of a Hatch-Waxman restoration extension in the same manner as other patents with respect to URAA patent term modifications.

This is fair and warranted given the fact that Hatch-Waxman restoration extensions are granted in partial compensation for time lost due to FDA regulatory review and should be considered wholly independent from any URAA extension.

Finally, at the request of Senator SPECTER, the Judiciary Committee contains a 2-year marketing exclusivity extension for Lodine, a nonsteroidal antiinflammatory product. This product was under FDA NDA review for over 8 years, and presents a factual case in many respects similar to Daypro, which was recently afforded equitable relief in the continuing resolution that was passed in April.

In addition, the proposal contains sense-of-the-Senate language to urge that litigation be concluded as expeditiously as possible. In this regard, let me just add that Senator SPECTER will work with me to add an amendment that will help us to get there.

As a matter of fact, under the Judiciary Committee compromise, the interest of ensuring prompt litigation is promoted by granting the courts the authority to award equitable compensation from the patentee to the generic drug applicant in consideration for marketing time lost due to litigation.

The message here is simple and clear: Equity is a two-way street.

Pioneer drug firms unjustifiably drawing out litigation will be placed in substantial financial risk if it is determined by the court that equity so requires compensation be paid to the generic manufacturer.

These provisions would not apply to products whose patents would have expired, including any restoration periods under the Hatch–Waxman Act, after June 8, 1998. The purpose of this provision is to prohibit obvious gaming of the system by those who may have submitted generic drug applications far in advance than would have been the case in any normal commercial transaction.

It will be interesting to see once CBO completes its analysis of the FDA data whether some generic firms may have submitted applications for products whose patents expire sometime early in the next century. This hardly strikes me as the type of good-faith activity that seems to be contemplated by the URAA transition rules.

The Judiciary Committee compromise is fair and balanced. I urge all of my colleagues to support it.

I would next like to take just a few moments to explain why I believe that this approach is preferable to the Pryor amendment.

As I have stated on a number of occasions, I have several threshold concerns about the Pryor legislation.

First, it undermines the incentives for biomedical research. Dr. Koop and other leading public health experts recognize that it is only through research that great life-saving and cost-saving medical advances flow. Plain and simple, more research will be conducted under the Judiciary Committee compromise than under the Pryor amendment.

Second, it sets a poor, first example on GATT and will act to encourage our trading partners to drag their feet in implementing the intellectual property provisions of the GATT Treaty. I know the U.S. Trade Representative under the Clinton administration takes a different view but I think former Trade Representative Bill Brock got it exactly right, and I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD as follows:

> It will be difficult, if not impossible, for the United States to force other nations to adhere to the TRIPS agreement if we set this unfortunate precedent. In sum, in exchange for the hope of short term savings, the Pryor proposal could cost all U.S. firms and workers the enormous long term gains we worked so hard to achieve in the Uruguay Round. That is penny wise and pound foolish.

Mr. HATCH. Third, it may subject the Federal Treasury to substantial financial liability under the takings clause of the fifth amendment. On this last point, let me just say that the takings issue was discussed at our February hearing. I was very interested to learn that analysts at CBO have independently raised this issue, so I think it is a very real concern. We should attempt to ensure that it is the generic drug manufacturers and pioneer pharmaceutical firms, respectively, who are financially responsible for paying any court-ordered equitable remuneration and equitable compensation.

In addition to these three major policy concerns that I have just outlined, I also take strong exception to the manner in which Senator PRYOR has attempted to characterize this debate. There are two basic arguments that are repeatedly advanced as justification for the Pryor amendment.

The first is the uneven playing field argument. You have heard it many times in this debate. Somehow only the generic drug industry has not been able to take advantage of the GATT transition rules.

But the truth of the matter is that there are no reported cases of any generic product manufacturer, from any other industry reaching, or for that matter even seeking to reach, the marketplace through the transition rules. If adopted, the Pryor amendment would tilt the playing field by creating a virtually industry-wide advantage being granted to only one industry—the generic drug industry. This can hardly be called leveling the playing field.

The other major argument advanced by the proponents of the Pryor amendment is the alleged unintentional mistake argument. It is said over and over again by my opponents in this debate that adopting the Pryor amendment merely amounts to making a technical correction to achieve an effect that Congress intended all long.

I must say that on the surface this argument has a certain amount of appeal and is easy to understand. The trouble is that it is simply not the borne out by the facts.

It is important for everyone in this body to understand what the Court of Appeals for the Federal circuit found on intent issue last November in the Royce case. Frankly, what they found was that, with my apologies to Gertrude Stein, ''there is no there, there.'' The court said:

> The parties have not pointed to, and we have not discovered, any legislative history on the intent of Congress, at the time of passage of the URAA, regarding the interplay between the URAA and the Hatch-Waxman Act.

There have been many attempts to create after-the-fact legislative history—and additional attempts will no doubt be fabricated in the course of our debate today. But, as with the judges on the Federal Circuit, I am aware of no evidence at the time of passage of the URAA that dispositively resolves, or even hints at resolving, the intent issue in the manner now so frequently, so cavalierly, and—it must be stated—so misleadingly, claimed by my opponents. I know where the bald assertions are but where is the beef? What is this evidence?

Frankly, the intent argument is somewhat galling. How many times has this body debated a supposed technical correction measure, like we did for three hours last December, only to refer the matter back to Committee for further study by a razor thin 49 to 48 vote. Technical correction, my eye.

I am also greatly concerned that the Pryor approach contemplates market entry prior to an opportunity for court resolution of the key determinations surrounding substantial investment and equitable remuneration.

A key principle of the Hatch-Waxman Act, and of section 154(c) of the URAA, is to first determine the rights of the patent holder before a generic competitor may enter the market.

This principle should not be casually set aside.

In contrast to the Pryor amendment, the Judiciary Committee substitute—consistent with the longstanding paragraph 4 certification process under the Hatch-Waxman Act and the plain language of section 154(c)—would respect the innovator's intellectual property by first resolving the substantial investment and equitable remuneration issues.

In this regard, I must register my objection to the recent June 13 letter from Secretary Shalala that seems to interpret the language of section 154(c)(3) as allowing the continuation of infringing activities while the courts resolve the substantial investment and equitable remuneration issues.

This interpretation would be, in my estimation, rejected by the courts because it amounts to de facto compulsory licensing. The protection of prior judicial review is critical.

One of the key reasons why our Nation endorsed the intellectual property provisions of the GATT Treaty—the so-called TRIPS provisions—was to limit the ability of our trading partners to wrongfully devalue American intellectual property through compulsory licensing provisions.

This June 13 administration embrace of compulsory licensing may open up a real can of worms and will send a horrible signal both overseas and to our inventor community here at home.

I have taken too long, I understand. Let me close by simply saying that for the reasons I have given, I hope that my fellow Senators will agree with me that the best course is for the full Senate to adopt the Judiciary Committee compromise. It was hard fought and won in the Judiciary Committee.

It is a fair compromise and one that will benefit the health of the American people and the American public.

Last, but not least, let me just say this: As the author of the Hatch–Waxman bill, this is a very important issue for me. This is something that I believe in or I would not be doing this.

I have been vilified and mistreated and my efforts mischaracterized on this issue. I can live with that, because that has happened to me many times in my political career, as well as to many others here. But I really resent having the issues in this matter mis-characterized in the way some people have done.

I want to say that the generic industry, by and large, has been very fair to me and very decent. I personally appreciate them. I look forward to trying to help them in the future on issues on which they deserve to have help. Unfortunately, this does not happen to be one of those issues.

I hope our colleagues will pay attention to the things that have been said on the floor.

Mr. DODD. Mr. President, I rise today in support of the compromise that the Senator from Utah and chairman of the Judiciary Committee, Senator HATCH, has offered on the GATT pharmaceutical patent issue. I commend him for his leadership on this subject—a subject that is fundamentally an intellectual property issue and that is clearly in the purview of the Senate Judiciary Committee.

This is not the first time we have had this discussion. Earlier this year, the

Senator from Arkansas agreed to allow the Senate Judiciary Committee to consider this issue. On February 27 and March 5, the committee held hearings on this issue with a balanced set of witnesses, and reported out a compromise bill on May 2, 1996, on a bipartisan vote of 10 to 7.

The Judiciary Committee bill would allow the FDA to approve a generic drug for marketing prior to expiration of the GATT patent extension, but only after a generic drug manufacturer complied with requirements spelled out in both the GATT implementing law and the generic drug approval process in the 1984 Hatch-Waxman law.

Under this compromise, generic drug manufacturers would not be treated differently than any other generic manufacturer. Like other generic manufacturers, generic drug manufacturers would be required to prove in court that they had made a substantial investment in their product before June 8, 1995. Court determination of substantial investment and the establishment of equitable remuneration to the patent holder is required under the GATT implementing law prior to generic infringement of patents in all industries.

A generic drug company would have to make substantial investments in purchasing land, building a plant, or other capital investments comparable to what generic companies in other industries would have to make in order to qualify under the transition provision. The investment would have to be more than merely the filing of an abbreviated new drug application [ANDA] for regulatory approval with the FDA, although the generic company would be able to include these costs in proving their investment.

At the same time, this compromise provides unique protection to generic drug companies from the cost of potential delays from the court process prior to entering the market. If a generic drug company wins the determination of substantial investment, the court could order the patent holder to compensate the generic company for the delay in selling their product caused by litigation.

What's more, Senators have heard from dozens of patient and physician groups who point out that without the strong patent protections provided by the law, the investments that have yielded critical, life-saving drugs and biomedical products would not have been made. And unless that patent protection is preserved, pharmaceutical companies will have no incentive to continue their vital research.

Indeed, Daniel Perry, executive director of the Alliance for Aging Research wrote that . . .

> Patent rights are the cornerstone of America's biomedical research enterprise. Patents provide a critical incentive for all companies, particularly pioneer pharmaceutical manufacturers, to conduct ground breaking biomedical research.

I would ask unanimous consent that Mr. Perry's and other letters be printed in the RECORD following my remarks.

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

(See exhibit 1)

Mr. DODD. Mr. President, this is a fair and balanced compromise. The committee took into account the unique benefits generic drug manufacturers receive under the FDA process. Generic drug manufacturers are given the use of the safety and efficacy data that is developed over years of research and at an average cost of $500 million by the brand name pharmaceutical manufacturer. The generic drug industry, in contrast, spends an average of less than $1 million on their products.

The cornerstone of our intellectual property system is that one person or company should not be able to profit unfairly from another's investment, be it in time or money, at the expense of the original person or company. This compromise protects that fundamental right, and I urge my colleagues to support it.

EXHIBIT 1

MAY 20, 1996.

Hon. ORRIN HATCH,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: We are concerned that the Senate may soon consider legislation that would diminish the strong patent terms for pharmaceuticals that resulted when Congress implemented the General Agreement on Tariffs and Trade (GATT). We thank you for your leadership and efforts to preserve strong intellectual property protection. It is vital that all Members of Congress share your understanding of the importance to our patients of strong intellectual property protection, and we ask that you share our concerns with your colleagues.

As gastroenterologists, we have seen first hand the tremendous power of pharmaceutical innovation to forge unparalleled advances in medical care. Prior to the discovery and development of the acid-reducing medicines called H2 antagonists, many patients suffering from peptic ulcer disease had to endure expensive corrective surgery. Since 1977, when the first H2 antagonist was introduced, the incidence of ulcer surgery as well as ulcer-related morbidity has dropped dramatically. This decline in surgery and morbidity has not only benefited our patients, but it has also reduced the overall health care costs for our country since drug therapy is substantially less expensive—not to mention less painful—than ulcer surgery.

The argument in support of changing the GATT patent benefit for pharmaceuticals seems to rest primarily on the potential cost savings to consumers of accelerating the availability of a generic version of one anti-ulcer drug. Such an argument totally ignores the fact that the anti-ulcer marketplace is highly competitive with a wide range of choices, including generics, for patients and physicians.

This argument also ignores the significant cost savings to consumers from advances in medical research. There are new medicines available and coming to the market that can cure peptic ulcer disease. The senior citizen on a fixed income will save far more from the availability of medicines that eradicate the cause of his/her ulcer after a few weeks of therapy than from a less expensive version of a medicine they must continue to take on a daily basis. Fortunately for the patient, the strong patent protection on existing anti-ulcer products has helped fund the research that has made these new medicines possible.

We firmly believe that it is in the best interest of patients to provide strong patent protection. The results of innovative biomedical research funded by patent protection for existing products benefit patients directly. Any attempts to determine the incentives to further research and development is short sighted and leaves patients short changed.

Sincerely,

JOHN H. WALSH, M.D.,
Professor of Medicine, UCLA, Los Angeles, CA.
JAMIE S. BARKIN, M.D.,
Professor of Medicine, Univ. of Miami, Miami, FL.
ROSEMARIE L. FISHER, M.D.,
Professor of Internal Medicine, Yale Univ., New Haven, CT.
STANLEY B. BENJAMIN, M.D.,
Professor of Medicine, Georgetown Univ., Washington, DC.
MALCOLM ROBINSON, M.D.,
Professor of Medicine, Univ. of Oklahoma, Oklahoma City, OK.
JOSEPH W. GRIFFIN, M.D.,
Professor of Medicine, Medical College of Georgia, Augusta, GA.
DAVID L. EARNEST, M.D.,
Professor of Medicine, Univ. of Arizona, Tucson, AZ.
DAVID E. FLEISCHER, M.D.,
Professor of Medicine, Georgetown Univ., Washington, DC.

AMERICAN ASSOCIATION FOR CANCER RESEARCH, INC.,
New York, NY, October 18, 1995.

Hon. ROBERT DOLE,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: The American Association for Cancer Research (AACR) respectfully requests that you vote against Senator Pryor's effort to reduce patent protection for pharmaceuticals.

The medical researchers in the AACR have devoted their lives to research and innovation in the struggle to eradicate cancer. In this effort, innovative pharmaceuticals and biotechnology products are our most effective tools. Congress steadfast support of scientific discovery and strong patent protection has encouraged the investment in research and development that make these medicines possible. For the sake of patients everywhere, patent protection should not be weakened.

However, Senator Pryor's legislation to reverse the patent protection extended under GATT to one industry asks you to do just that. This bill attempts to grant exceptions to the GATT patent protections; these exceptions if adopted, have the potential to encourage future attempts to further erode patent protections in the United States. We are gravely concerned about the precedent of singling out one industry, especially one that has positioned the United States as the global leader.

The risk of supporting this legislation would be to weaken the incentives for innovation in academia, research institutions, and medical research-based companies. We believe that this will impede our capacity to address the growing epidemic of cancer.

We urge you to use your leadership position to preserve, not destroy, our national capacity to support research and innovation.

Respectfully,

JOSEPH R. BERTINO, M.D.,
President.

ALLIANCE FOR AGING RESEARCH
Washington, DC, October 11, 1995.

Hon. ROBERT DOLE,
Office of the Majority Leader, U.S. Senate, the Capitol Building, Washington, DC.

DEAR SENATOR DOLE: It has come to my attention that, in connection with a proposal sponsored by Senator David Pryor, Congress is considering changes to existing patent law that would erode patent protection in the United States. I ask you to oppose that effort.

America has always sought to protect and foster innovation primarily through our system of patent protection and patent-term restoration. Recently, in accordance with its multilateral obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights negotiated during the Uruguay Round of GATT, Congress amended the Patent Code to harmonize its provisions with international standards. As a result, patent terms for certain eligible products—in all industries—were extended. Under the Pryor proposal, however, Congress would weaken our implementation of GATT's patent provisions.

As the Executive Director of the Alliance for Aging Research, I am concerned by any proposal that would have such an effect. Patent rights are the cornerstone of America's biomedical research enterprise. Patents provide a critical incentive for all companies, particularly pioneer pharmaceutical manufacturers, to conduct ground breaking biomedical research. Patients and their physicians depend upon access to the fruits of biomedical research—access which can only occur if there are adequate incentives for the research to be conducted in the first place. Congress cannot expect the private sector to continue making high-risk investments in research and development if there is no assurance of strong patent protection (and if there is no assurance that the United States will meet its multilateral obligations to provide such protection.)

This is a particularly critical issue for the aging Americans represented by the Alliance. Clearly, the curtailment of biomedical R&D will lead to a downturn in a rate at which biomedical innovations will become available to the public. New incentives for research and innovation such as those provided by GATT must be maintained. Otherwise, Congress will erode the foundations of a system that has made America the leader in the discovery of new medicines.

I urge you to cast your vote in favor of innovation and research for new treatments that will benefit America's elderly.

Best regards,

DANIEL PERRY,
Executive Director.

THE NATIONAL ORGANIZATION ON FATAL ALCOHOL SYNDROME,
Washington, DC, October 10, 1995.

Hon. BOB DOLE,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: It has come to my attention that, through an effort by Senator PRYOR, Congress is considering changes to existing law that would chip away at patent protections in the United States, and possibly around the world. I ask you to reject that effort.

This nation has sought to protect and foster innovation since its very beginnings, primarily through our system of patent protections. Most recently, as a result of the General Agreements on Tariffs and Trade, the U.S. changed its patent terms to bring them in line with international standards. Yet Congress is now considering weakening that agreement.

As a member of the National Organization on Fetal Alcohol Syndrome, I find that possibility very disturbing. Patients afflicted with disease look to biomedical research, especially research taking place in America's pharmaceutical industry, for new and better treatments to restore them to health. But this country's huge investments in research and development cannot be maintained without the assurance of strong patent protection, not only in the U.S., but also in other markets around the world.

If Congress begins chipping away at patent protection in the U.S., it begins chipping away at the foundations of a system that has made this country Number One in the world in the discovery of new medicines. It also begins to undermine patent protection standards around the world. And it begins the process of deflating the hopes of millions of patients in this country who depend on medical research to find a cure.

Please, cast your vote in favor of innovation, and against any effort to undermine patent protection in this or any other country around the world.

Sincerely,

PATTI MUNTER,
President.

UNITED PATIENTS' ASSOCIATION FOR PULMONARY HYPERTENSION, INC.,
Speedway, IN.

Hon. CAROL MOSELEY-BRAUN,
Hart Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR MOSELEY-BRAUN: I'm writing to you on behalf of 400–500 Americans who suffer from a very rare and very deadly disease known as Primary Pulmonary Hypertension (PPH). Until recently, the best hope for long-term survival from PPH was through a lung or heart/lung transplant. However, today, thanks to research which dates back to the 1970's, a new drug was recently approved to treat PPH which not only is extending these patients' lives but is allowing them to live full, active and productive lives.

I have learned that some generic companies are now trying to change the law so that they can gain financially by bringing their products to market before the patents on the pioneering companies' products expire. I can attest to the value that research-based companies bring to patients as a result of strong patent protection, and I urge you to oppose these efforts.

While I appreciate the cost savings that generic drugs can offer in the short term, I also know that innovative new therapies for complex, life-threatening diseases will come only from research-based pharmaceutical companies. When it comes to serving patients suffering from deadly orphan diseases like PPH, it is the research-based companies that give us hope.

Glaxo Wellcome recently received approval to market the first medicine that will significantly extend the life, greatly improve the quality of life, and help avoid complex, risky surgery for people suffering from PPH. I know of no generic drug company that would commit the millions of dollars or many, many years of research to discover or develop such a medicine, and it is unlikely that they will ever produce a generic version for a patient population so small. There are many other similar patient populations who depend on the research-based companies to bring these new medicines to market.

The purpose of the General Agreement on Tariffs and Trade (GATT) was to strengthen intellectual property law around the world and bring U.S. intellectual property law into compliance with other industrialized countries. If the GATT resulted in longer patent protection for a few medicines—all of which already face competition from other therapies—that in my view is a benefit for our society.

Our patients have experienced the direct benefits of the tremendous investments that the pharmaceutical industry has made in research and development. Research-based companies need and deserve the incentives provided by strong intellectual property protection. Please do nothing to weaken them.

Sincerely,

JUDITH SIMPSON, R.N., Ed. S.,
President, UPAPH.

AMERICAN SOCIETY OF TROPICAL MEDICINE AND HYGIENE,
October 13, 1995.

Hon. ROBERT DOLE,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: The American Society for Tropical Medicine and Hygiene (ASTMH) respectfully asks that you vote against Senator Pryor's effort to reduce patent protection for pharmaceuticals.

The ASTMH members have dedicated their lives to easing the suffering of patients under their care and returning them to health whenever possible. In this effort, modern medicines are among our most effective tools. Congress' steadfast support of strong patent protection has encouraged the investments in research and development that make these medicines possible. For the sake of patients everywhere, those protections should not be weakened.

Yet, legislation which Senators Pryor and Chafee intend to bring to the Senate floor asks you to do just that. They believe that Congress should grant exceptions to the patent protection provided under the General Agreement for Tariffs and Trade, which could encourage future attempts to further erode those protections in the U.S. It would surely encourage other countries to do the same, especially those who are not fully committed to implementing the patent protections required under GATT.

Long-term, we risk weakening the incentives for innovation that bring us new medicines from the labs of academia, research organizations, and pharmaceutical research companies. We risk losing more lives to disease that might otherwise be saved.

We are dedicated to improving the care we provide our patients. Further, our society is dedicated to the research, treatment and eradication of infectious and emerging diseases worldwide. We need to ensure the U.S. capacity to operate in the international arena. We ask that you lend your support by preserving the innovation that helps us to meet that goal. Please demonstrate your support for patent protection and medical innovation by voting against Senator Pryor's amendment.

Sincerely,

CAROLE A. LONG, Ph.D.,
President, ASTMH.

CYSTIC FIBROSIS FOUNDATION,
October 10, 1995.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: I understand Senators Pryor and Chafee are attempting to amend the Hatch-Waxman Act to eliminate extensions for existing pharmaceutical patents granted by GATT. I urge you not to vote for that amendment, but instead to protect existing legislation that preserves incentives for research and development.

As President and Chief Executive Officer of the Cystic Fibrosis Foundation, I have personally witnessed the great suffering endured by patients and their families in their fight against cystic fibrosis. I have also witnessed how, for many patients, modern medicines have brought hope, relief from suffering, and even a return to health—a miracle made possible by biomedical research.

By rewarding ingenuity and encouraging innovation, patent protection makes possible the investment of hundreds of millions of dollars and years of time and effort in medical research, all the while with no guarantee of success. Because of the discoveries born of these investments, the patients we come in contact with every day benefit through saved lives and improved quality of life. Our health care system benefits from a reduction in the overall cost of care.

While we certainly support patient access to lower cost treatments for disease, that short-term benefit pales if it comes at the long-term expense of finding cures to life-threatening illnesses. The current law governing pharmaceutical patents is fair and in the long-term best interest of patients.

On behalf of those patients who still await a cure or effective treatment to alleviate their suffering, I again urge you not to undercut the patent protection that underlies America's best hope for new and better answers to disease.

Sincerely,

ROBERT J. BEALL, Ph.D.,
President and Chief Executive Officer.

ALLERGY AND ASTHMA NETWORK,
MOTHERS OF ASTHMATICS, INC.,
Fairfax, VA, October 12, 1995.

Senator BOB DOLE,
Majority Leader.

DEAR SENATOR DOLE: At a time when health care delivery, research and development are evolving faster than anyone can accurately monitor, Senator Pryor's efforts to lead Congress down a road that chips away at patent protections for U.S. pharmaceutical products will dig a health care grave for Americans.

As the founder of the Allergy and Asthma Network/Mothers of Asthmatics, Inc., a mother of four children, three of whom have asthma, a person who has asthma, and as a member of several NIH and FDA advisory councils. I understand the importance, the bottom line impact, of the hastily constructed and poorly debated proposed changes.

I would be delighted to discuss the magnitude of this issue with you in person or over the phone at your convenience (703–385–4403), however, please vote in favor of a healthier America and against any Pryor and/or Chafee proposals to dilute research and development expenditures. Vote for innovation and oppose any effort to undermine patent protection in this country or any other country.

Sincerely,

NANCY SANDER,
President.

AUTISM SOCIETY OF AMERICA,
Bethesda, MD, October 12, 1995.

Senator BOB DOLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: I understand Senators Pryor and Chafee are attempting to amend the Hatch-Waxman Act to eliminate extensions for existing pharmaceutical patents granted by GATT. I urge you not to vote for that amendment, but instead to protect existing legislation that preserves incentives for research and development.

While we certainly support patient access to lower cost treatments for disease and disability rehabilitation, that short-term benefit pales if it comes at the long-term expense of finding cures to life-threatening illnesses. The current law governing pharmaceutical patents is fair and in the long-term best interests of patients.

Our organization, representing over 18,000 parents and professionals whose daily lives are touched by autism, has witnessed the great suffering endured by patients and their families in their struggle with autism. I have personally witnessed how, for many children and adults with autism, modern medicines have brought relief from the extreme, often life-threatening behavioral manifestations of autism, resulting in a renewed hope to the families for a better quality of life for their son or daughter. In some instances, the change was dramatic enough that the entire individual's life, and the lives of those family members who love them, have reached a new level of hope and enthusiasm—a ''miracle'' made possible by biomedical research.

By rewarding ingenuity and encouraging innovation, patent protection makes possible the investment of hundreds of millions of dollars and years of time and effort in medical research * * * all the while with no guarantee of success. Because of the discoveries born of these investments, the patients we come in contact with every day benefit through saved lives and improved quality of life. Furthermore, our health care system benefits from a reduction in the overall cost of care.

The Pryor and Chafee amendment offers a clear choice: a ''NO'' vote to preserve incentives for innovation that allow that research to continue, or a ''YES'' vote to undermine the hope of thousands of patients who await the discovery of an effective treatment for disease.

On behalf of those patients everywhere (including some 380,000 individuals with autism) who still await a cure or effective treatment to alleviate their suffering, I again urge you not to undercut the patent protection that underlies America's best hope for new and better answers to disease and life-threatening disabilities.

Sincerely,

SANDRA H. KOWNACKI,
President.

NATIONAL KIDNEY ASSOCIATION,
November 22, 1995.

Hon. CAROL MOSELEY-BRAUN,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR MOSELEY-BRAUN: I am writing you as both a constituent, and as the President of the National Kidney Cancer Association. Thank you for your recent vote in support of the enforcement of the General Agreement on Tariffs and Trade (GATT) provision regarding drug patents.

Your action will allow significant pharmaceutical research to continue on numerous diseases, including kidney cancer. As you may be aware, kidney cancer afflicts thousand of individuals each year and at the present time, no cure exists for this disease.

Our greatest hope for a cure is innovative pharmaceutical and biotechnology products, derived from private sector efforts. To find this cure, millions of dollars will have to be spent. It is imperative that Congress provide steadfast support for scientific discovery and strong patent protection for new drugs and therapies. My view is that this new GATT law will encourage further investment in research and development, and make new medicines possible. This new law gives hope to millions around the world, including kidney cancer patients, who currently have no options.

I applaud your courage in opposing efforts to weaken the GATT patent provisions. Keep up the important battle to support research and development of new drugs. Thank you for your determination and insightful leadership.

Sincerely,

EUGENE P. SCHONFELD,
President and CEO.

Mr. THURMOND. Mr. President, the Pryor amendment concerns the complex interrelationship among the GATT Treaty, the Federal Food, Drug and Cosmetic Act, and the Patent Code.

We considered this very issue last December on the Senate floor when Senator PRYOR attempted to have this matter attached to the bill to ban partial birth abortions. The Senate voted at that time to have the Judiciary Committee—that is the committee with proper jurisdiction—to consider this important issue. The Judiciary Committee held a comprehensive hearing on this matter on February 27 of this year and Senator PRYOR testified at that time.

Mr. President, following the hearing in the Judiciary Committee, of which I am a member, the committee amended a proposal similar to Senator PRYOR's amendment with a bipartisan compromise. The Judiciary Committee approved the compromise. This bill will be available for Senate floor consideration in due course. It would be most appropriate to consider Senator PRYOR's amendment at that time. The Department of Defense reauthorization bill is not—and I want to repeat, is not—the proper vehicle on which to debate the Pryor amendment. Unfortunately, we are now having to debate this contentious intellectual property issue.

Our second-degree amendment would reflect a bipartisan compromise agreed upon by the Judiciary Committee. The chairman of the Judiciary Committee, Senator HATCH, has spoken today on the practical effect of this amendment which he drafted with others when this matter was before his committee.

Mr. President, as I noted earlier, this is a very difficult and complex issue which addresses how certain transition rules contained in the Uruguay Round Agreements Act apply to the pioneer pharmaceutical patents which have been extended by the act. The overall approach to this issue is to find an appropriate balance to encourage research and development of breakthrough innovator drugs while making low cost generic equivalents available to the public. The Judiciary Committee approved one approach which many believe reaches the goal of encouraging research and development but also expediting their generic equivalents to the marketplace.

It would be my preference to debate the Pryor amendment when the full Senate turns to consideration of the bill recently approved by the Judiciary Committee. That would seem to me to be the appropriate time to consider the Pryor amendment. Yet, here we are on the Defense bill debating the Pryor amendment in a compressed manner.

We should proceed on this Defense bill, which is vital to our national security.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I know the Senator from Nevada was here ahead of me. If it is all right with him, I will just make a very brief statement.

Mr. BRYAN. By way of response, I am always delighted to hear the enlightened words of my friend from Colorado, and I anxiously await his important comments to the Senate.

Mr. BROWN. I can only wish my wife held me in similarly high esteem. She sometimes finds my talks somewhat too long.

Mr. President, I simply want to add a few words as cosponsor of the Pryor amendment. We have traded it back and forth. I think the distinguished Senator from Arkansas has made a great contribution by bringing this portion of our law up.

It is a complicated area. I would like, with the indulgence of Members, just to briefly try and simplify it, if I can.

We have in the past followed the law. The American law was 17 years of exclusive protection for a patented item. Many countries in the world had a law that said 20 years from the time of filing for that patent. So we differed from the world somewhat. When the trade pact was approved, which this Congress did approve, did ratify, we agreed to go to a system followed by most other countries; that is, 20 years from when you file it instead of 17 years from when it is approved. A modest change.

For some items that are patented, that is, the creator has exclusive protection, that meant they got a longer period of coverage than originally planned, a longer period of coverage than they had when they created the product or invented it, a longer period of coverage than what they budgeted for, a longer period of coverage than what the law said. In other words, when we ratified that treaty and passed the implementing language, we made a retroactive change in the law. Twenty years ago, if you said, ''What is the law, what protection do I get?'' we changed the law even though you relied on it.

What the GATT Treaty did and we did as a Congress was create an exception that said, look, if you relied on the old law and you invested money in reliance on that law, you should be allowed to compete with that product. So we did give people a serendipitous extension of the patent protection. But we said if someone is harmed by that—that is, they made a substantial investment in competing with you under the terms of the law—we are going to say OK for them, they have a right to compete.

That is all this issue is really about. The issue is whether or not if you as a businessman or businesswoman made an investment in reliance on our law to compete, whether or not you should have a chance to compete.

The way this Congress handled that issue is they drafted a transition rule that said, ''Yes, if you made a substantial investment, you relied on that law, you can compete.'' There was only one product they left out, and that was patented drugs. Every other patented item that this Nation recognizes and gives exclusive protection to got the treatment, got the exception, were allowed to compete if they made a substantial investment. The only one that did not get it was drugs.

Is there a reason to treat drugs differently? I do not think so. That case certainly has not been made in deliberations. The patent protection is not different in length for drugs than it is for anything else in the past. That transition law treated drugs totally different than anything else.

When we inquired about it, all the committees said, ''It's an oversight, it's a mistake, we'll correct it.'' That is all this amendment is. It simply treats drugs the same way we treat everybody else.

How do I feel about it? My sense is that we ought to treat drugs like any other patented item. My sense is, it is only fair if someone has relied on that old law—that is, made an investment, relied on the law—that you honor your obligation. It is the same as giving somebody your word. It is pretty basic. It is pretty simple.

If I say something, and you rely on it, and you invest in reliance on it, I ought to keep my word to you. That is what we did for every other patented item. That is all this amendment does.

Do people who have patented drugs who get a serendipitous 20 additional months, or in that range, oppose the amendment? Of course they do. It is not a surprise. If somebody said, ''Here's a check for $100 million''—the money involved in this is big; it is not small; and it may well be in the billions, not millions —of course they are interested in protecting that. I do not fault them. They are defending their rights.

But, Mr. President, our obligation goes much farther than simply helping out a friend or helping out a company that got a serendipitous gift out of this. Our obligation, as Members of the U.S. Senate and Members of Congress, goes to protecting the public.

There is no question that the public benefits by this amendment—no question. There is no question that this is fair because it is the same treatment everybody else got. There is no question that people who relied on the old law and made an investment, in my mind, deserve to be treated like in every other area.

The question is pretty basic. Do you carve out a special gift and exception for a few companies that benefited by this oversight? Or do you treat them the same as everybody else? Mr. President, this Congress ought to be concerned about encouraging competition, not hiding from it. This Congress ought to be concerned about fair treatment.

It is quite true, as the distinguished Senator from Utah indicated, this was considered in Judiciary. It is quite true that the Senator from Utah prevailed. I was unable to persuade the committee of the merits of my position. It is quite true that that measure that he passed is coming out to the floor.

My impression, though, is a bit different than what he described with regard to the condition of the report that is being put together. Our views on it, the views that favor this amendment, have been ready for some time. Certainly we feel that we have played no part in holding up the report. We have been ready to go all this time.

So I appreciate the Senator from Utah raising that point. Inasmuch as there appears to be a misunderstanding about it, we will clear it up this afternoon. Mr. President, let me also extend my thanks to the distinguished Senator from Nevada for his kindness and indulgence. I yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I thank the Chair, and I, again, express my appreciation to my colleague from Colorado for an extraordinarily clear and lucid explanation of what must appear to the folks at home, listening to this debate on television, as a very arcane, technical, esoteric kind of an argument. Let me try to distill his thoughts a little further, if I may.

What we are talking about is money, big money, hundreds of millions of dollars, even billions of dollars. When that kind of money is on the table, all kinds of special interests come forward and seek to protect themselves. I want to comment a little bit further on that.

One of my colleagues raised the question as to the propriety of adding this amendment to a Department of Defense authorization bill. I think there is a compelling argument as to why we should do so. The Department of Defense spends each year $900 million on drugs—$900 million. If the amendment authored by the distinguished Senator from Arkansas, of which the Senator from Colorado and I and others are cosponsors, is adopted, we save $30 million each year. So the relevancy of this debate is very much appropriately addressed to a DOD authorization bill.

My colleague from Colorado, I think, did an extraordinary job of explaining the history, and I will not belabor that point other than to make the point, as he did, this industry, the drug industry, through inadvertence and omission, is given separate treatment, separate, distinct and special treatment, that no other industry or product in America receives. It is that inequity that generates the interest of the Senator from Arkansas and others of us to remedy and to correct this.

Our amendment, which was debated sometime last year, had the endorsement of the U.S. Trade Representative,

the Patent Office, and the FDA, and would plug this loophole. Since last December, as these windfall profits have continued to accumulate, American consumers, veterans, seniors, and others across the country have continued to pay more than they should pay for certain prescription drugs.

Mr. President, the loophole is open today. We face the same issue. Each and every day, American consumers are paying millions of dollars more than they ought to. So let me suggest, as I view my responsibilities as a Member of this Chamber, it is highly appropriate that we seek to correct this inequity and to provide the relief to which American consumers are entitled and to do so immediately.

When the loophole-closing amendment came to the Senate floor last fall, a vote was taken, a critical vote in which, by a margin of one vote, 48–49 the Senate defeated the amendment that the Senator from Arkansas, the Senator from Colorado and others of our colleagues offered.

A compromise was reached after that vote. The Judiciary Committee would review the GATT treaty problem and report back to the Senate with its recommendation. This was to be a good-faith effort to analyze the issue. It is fair to ask the question, What was the outcome of this review? Well, the Judiciary Committee did report out a substitute bill to our GATT amendment, albeit 5 months after our amendment was voted upon, 5 months in which drug companies have continued to reap windfall profits and 5 months that the American public have been forced to pay higher drug prices than they should have, that the American taxpayer has been required to pay more money for those essential programs offered by the Department of Defense, the Veterans Administration, and other agencies of the Federal Government which purchase prescription drugs on behalf of the clientele which they service.

This substitute is called the Pharmaceutical Industry Special Equity Act of 1996. It has somewhat of an ironic ring to it—the Pharmaceutical Industry Special Equity Act of 1996. Who does it benefit? It benefits the drug industry in a very special way that is inequitable to American consumers and particularly those who are on fixed incomes.

What we are really being asked to support today, in the form of the substitute, is a bill that codifies—in my view codifies —the very GATT treaty mistake that our amendment seeks to correct, a bill that continues the GATT treaty loophole for such drug manufacturers as Glaxco-Wellcome, Inc. and its ulcer/heartburn drug Zantac, the world's best selling drug, which costs twice as much as it should because of this loophole that we seek to close.

More than 100 drugs are being protected from generic drug competition because of this loophole. These include the hypertension drug Capoten, which costs 40 percent more due to the loophole, and the cholesterol-lowering drug Mevacor, the ulcer drug Prilosec, and the antifungal agent drug Diflucan.

It is a bill that ensures that seniors across the Nation will continue to pay more than they should for prescription drugs that they need and that are essential to their health, a bill that ensures taxpayers will pay more than they should to provide prescription drugs for the Medicaid and the veterans medical programs, a bill that creates tremendous legal barriers—in my view, insurmountable barriers—to the generic drug manufacturing industry to ensure that these manufacturers cannot bring to the marketplace lower priced prescription drugs, a bill that ensures the prescription drug manufacturers continue to enjoy their $2.3 billion windfall, plus a bill that extends special patent extensions for two brand name drug companies, Zeneca and Wyeth Ayerst Laboratories, which received a 2-year patent extension for Lodine, its antiinflammatory medicine. What has occurred here? In my view, we have a situation that is worse than before. Not only do some prescription drug companies retain their windfall profits, they are protected from nearly any possibility that any generic manufacturer will be able to compete against them during this extended patent term.

Generic drug manufacturers will be required to prove a substantial investment before being allowed to compete against any brand name drug. The key change, however, is that this substantial investment requirement is being defined much differently, to ensure the generic manufacturers cannot, as a practical matter, compete against any brand-name drug benefiting from the extended patent period under the GATT Treaty.

Before the GATT Treaty, substantial investment was considered to be those expenses and activities involved in developing a submission to compete to the FDA. Under the substitute measure, substantial investment is defined much differently.

In addition, under the substitute bill, a generic manufacturer must prove not only they have a substantial investment, but also they are required to make a determination of the kind of equitable remuneration to the brand name manufacturer before any generic drug can be manufactured.

Mr. President, you do not have to be a rocket scientist to recognize those who are enjoying these windfall profits are not going to be eager to agree as to what equitable remuneration may be. In effect, we create a lawyers' field day to debate what is, in fact, equitable remuneration.

The effect of the change is, first, it will be virtually impossible for any generic manufacturer to meet the new substantial investment standard. Secondly, it will mean that generic manufacturers will be tied up in court proving substantial investment and what is equitable remuneration before they can bring any generic drug to the marketplace. Two obstacles, two hurdles, two barriers that, as a practical matter, are going to be virtually insurmountable.

Who is being forgotten? Who gets hurt in this change? Those Americans particularly that are on a fixed income. That is primarily our senior community. They have been paying and will continue to pay more than they should for lack of a prescription drug alternative.

I am puzzled to think as to why anyone believes it is equitable to force seniors, many on very limited incomes, to pay more for a drug than they should so prescription drug manufacturers can continue to reap the windfall profits that this loophole has created.

I must say I am astonished by the provisions of this Pharmaceutical Industry Special Equity Act—a misnomer, if ever there was one; a special interest provision, if there ever was. My colleagues who talk the virtues of competition in the marketplace surely must find this substitute bill to be a bit beyond the pale.

I remind my colleagues, there is no reason to allow a limited number of prescription drug companies an unintended windfall profit to the detriment of all Americans who depend upon prescription drugs in order to sustain their health. Seniors, veterans, and the most vulnerable in our country cannot fight the brand name pharmaceutical industry on its own. They deserve and need our protection from an industry that is trying to codify a mistake, to perpetuate their windfall profit markets.

I hope my colleagues can see the loophole for the mistake it is and this substitute bill for the larger mistake it would be. We should always remember who is being hurt by the loophole in the State.

We have the ability to end this inequity now. The means to do so is the amendment offered by my distinguished colleague from Arkansas. I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I have found the current controversy to be an extremely complicated one as it has worked its way through the Judiciary Committee in trying to structure an arrangement which would be fair to all sides—fair to those who have made investments in patent pharmaceutical products and fair to those who are relying upon generic drugs.

As has been indicated at some length, we have very substantial investments which were being made to find new pharmaceutical products, to cure many ailments—wonder drugs, so to speak. At the same time, there is an enormously important consideration that generic drugs be available to senior citizens and others who are of modest

means, and also to help reduce the tremendous governmental costs involved with health care in America.

The controversy has arisen because of the ambiguity in the term substantial investment and the difficulty in defining equitable remuneration. It is my view that the Congress ought to define those terms, as opposed to leaving the matter to judicial interpretation.

We talk a great deal on the floor of the U.S. Senate about not having judges involved in legislation and about having statutory definitions to express the will of the Congress. This, I think, is a classic case where the Congress really ought to come to grips with the complexities and define what we mean by substantial investment and what we mean by equitable remuneration.

In order to try to reach a resolution of this matter, my staff and I have worked for many months, including long meetings where I have personally participated with representatives from both sides in an effort to try to structure a definition which would be fair and equitable. There has been a consideration that substantial investment would be determined solely by the filing by the generic of the abbreviated new drug application (ANDA) prior to June 8 of 1995.

I am not persuaded that the filing of an ANDA in and of itself is sufficient to constitute a substantial investment. There is a contention that more has to be undertaken in order to constitute the so-called substantial investment.

I have supported the amendment by Senator HATCH in the Judiciary Committee with substantial reservations, waiting until the time the matter reached the floor with the hope we might work out an accommodation among all of the parties. As I have said to the parties privately and also publicly, they have a much firmer handle on the intricacies of these definitions than do we in the Congress. I am still hopeful that a compromise may be worked out.

What I have added to the so-called Hatch substitute is a very tight time line on judicial determination as to what is a substantial investment if we cannot find a legislative definition for substantial investment, and also a provision that any losses sustained by the generic companies for the lack of sales in the interim be compensated by the pharmaceutical companies which have the patents.

Another consideration which I find to be very problematic is the fact this has taken so long. As the distinguished Senator from Arkansas has pointed out, the fact that it takes so long disadvantages the generics and also those who would rely upon the generic products.

I just had a brief conversation with my distinguished colleague from Arkansas, Senator PRYOR, and I told him I thought it might be useful if we had a colloquy on the record. We have had quite a number of conversations and have exchanged correspondence, and at one point several weeks ago Senator PRYOR wrote me a very strong, friendly letter, but a strong letter in the sense of trying to resolve the issue. I responded the very next day because of the importance of the issue. I know the sincerity with which the Senator from Arkansas has dealt with the issue, as, candidly, have we all.

I think it would be useful to discuss with the Senator from Arkansas, the originator of the original legislation, the content of his proposal, which, as I understand it, is to have a determination of substantial investment or the generic filing of the so-called ANDA prior to June 8, 1995.

As I understand it, and I put this in the form of a question to my colleague from Arkansas, is it the intent of his bill that the generic, in order to qualify, would have to establish a substantial investment?

Mr. PRYOR. Mr. President, if I may respond to my friend from Pennsylvania, we all recognize that the question of substantial investment in this particular issue has been of great concern to the Senator from Pennsylvania.

It is true that we have corresponded about this issue. I have attempted to accommodate the Senator's concern in our legislation for a more precise definition of substantial investment. In fact, our original legislation included a provision which very narrowly defined substantial investment. While we, too, sought to provide guidance to the courts, the provision was regrettably attacked by Glaxo and its compatriots as an effort to provide special treatment to their generic competitors. To ensure that all parties understood that our amendment is a simple, straightforward effort to bring a rogue industry into compliance with the rest of the country, we withdrew this language.

Mr. President, as I understand the complex GATT implementing law, the generic competitor has the burden of establishing whether it has made a substantial investment in court. This is my understanding of the present law, and the present law would simply be extended in the area of substantial investment to the inappropriately exempted prescription drug industry if my proposal is adopted.

Mr. SPECTER. Mr. President, if I may follow up on that, I do not fully understand what the Senator from Arkansas just said. Would it be the obligation, then, of the generic manufacturer to show that there had been compliance with the law, that there had been a substantial investment?

Mr. PRYOR. That is absolutely true. The Uruguay Round Agreements Act clearly establishes it is the obligation of the generic competitor to prove a substantial investment before the court. It is the court which determines whether or not a substantial investment has, in fact, been made. This is true for all industries today, except for one.

Mr. SPECTER. Well, since that is the purported intent of the legislation of the Senator from Arkansas, then the sale of the generic could not be made until the court had determined that there was a substantial investment. It is my understanding that the substitute proposed by the distinguished Senator from South Carolina, Senator THURMOND, in collaboration with the distinguished Senator from Utah, Senator HATCH, would do the same thing. The substitute would not accept the filing, but would require the generic manufacturer to go to court and satisfy the court that there had been a substantial investment. Is that not the effect of the legislation of the Senator from Utah?

Mr. PRYOR. Mr. President, I regret I must correct the Senator from Pennsylvania. Both current law and our amendment allows for the sale of generic competitors, contemporaneous to a court determination of substantial investment. In other words, the term substantial investment is defined in the Pryor-Brown-Chafee-Bryan legislation in the present language of the GATT implementing legislation, the Uruguay Round Agreements Act. I thank my colleague for raising a very important point. We are not changing the GATT agreement on substantial investment in any shape, form, or fashion. In fact, by bringing this sole outlier industry into compliance with the rest of the country, one might argue that we are keeping even closer to the spirit and letter of our obligations under that agreement than is the case today.

Mr. SPECTER. Well, if the Senator from Arkansas is prepared to have a judicial determination as to what a substantial investment is before the generic is offered for sale —I see my colleague shaking his head in the negative. I thought that is what the Senator from Arkansas said.

Mr. PRYOR. No, my friend and colleague is mistaken. The present law says that a generic competitor may come onto the marketplace, even though the court has not resolved the issue of whether they have made substantial investment. If, hypothetically, after the generic competitor has entered the marketplace and competed with the patent holder, it is then determined by the court that a substantial investment has not been made, then the court imposes damages upon the generic competitor to render the patent holder whole.

Mr. SPECTER. Well, how is that fee or compensation determined?

Mr. PRYOR. That compensation is determined according to the language of the Uruguay Round Agreements Act, the GATT implementing legislation. On that point, let me reference the letter from the Department of Health and Human Services about the Thurmond-Hatch substitute. This is the agency which would have to implement the substitute. The letter states that "it will be nearly impossible to meet the

'substantial investment' requirement'' under the substitute. Elsewhere, it concludes the substitute ''defines substantial investment—a matter that the URAA left to the courts—and does so in a manner that would make it virtually impossible for a generic drug company to meet the requirement.''

Mr. SPECTER. If the Senator from Arkansas would come back to my question, I am not on the Thurmond-Hatch substitute. My question is on the proposal of the Senator from Arkansas; that is, if you allow the generic to enter the field without a determination by a court of what is a substantial investment, and then, as the Senator from Arkansas said, if there is a later determination that there has not been a substantial investment and the generic company has to pay compensation, how is that compensation determined?

Mr. PRYOR. If I might respond to my colleague, in 35 U.S.C. 284, the situation is this. If, in the extremely unlikely event that a false claim of substantial investment is actually made by a generic competitor coming into the marketplace, the court may award damages in full, plus interest. If for some reason the court felt particularly strongly that the claim of substantial investment was false, fraudulent or otherwise inappropriate, it has further discretion to award treble damages to the patent holder.

Mr. SPECTER. If my colleague will yield, I am not talking about fraud, I am talking simply about a conclusion that there has not been a substantial investment, and then you have a situation where the generic has been selling its product. How is there a determination made as to what the damages are to the pharmaceutical company that has the patent?

Mr. PRYOR. I would answer my colleague with reference to the law as it currently affects every industry but one. The court would determine damages on the basis of lost sales or profits, the length of time expired, and the multitude of other facts which leave the court uniquely suited to make such determinations on a case-by-case basis. I believe that was the compelling logic behind adoption of the GATT language in this respect, and I feel it should be equally compelling for this single, rogue industry.

I would again emphasize that we are not changing the GATT or URAA language as it relates to substantial investment. We are keeping it. We are applying this language to the drug companies, just as it applies to every other company, every other industry, and every other business entity in our country.

Mr. SPECTER. Well, as the Senator from Arkansas outlines, there is going to be a judicial determination, and the question is whether the generic drugs may be sold prior to the time the judicial determination is made, or whether the generic drugs may be sold only after the judicial determination is made.

Under the expedited procedures that I am proposing, it would be a very, very prompt resolution. If the court determines that the generic had a substantial investment and had been denied access to the market for a period of time, then, for the period of time where the generic had been denied access, there would be damages paid. Really, we are very close together, as the Senator and I discussed this, with the essential difference being, who is going to bear the burden of proof in showing substantial investment? Those facts, really, are within the control of the generic manufacturer—after all, it is the generic manufacturer who knows what the generic manufacturer has sold, and it seems to me that there ought to be that determination made.

As I listened to the Senator from Nevada earlier, I understood him to say that there would be a determination of substantial investment prior to the entry into the market of the generic manufacturer. As I had listened to the Senator from Arkansas earlier, it seemed to me that that was the same contention, that there would be a determination of substantial investment prior to the entry by the generic manufacturer.

Mr. PRYOR. As I mentioned earlier, we are not in any way changing the URAA or GATT language. In fact, I look forward to the Senator from Pennsylvania offering language or an amendment to expedite the convoluted process contemplated in the substitute version. I emphasize again the reservations of the Department of Health and Human Services, regarding both the interminable delays in litigation and the unique, unattainable requirements imposed on generic competitors through the substitute version's unworkable definition of substantial investment. And as Professor Levin—I might say, probably known well by the Senator from Pennsylvania—of the University of Pennsylvania has concluded——

Mr. SPECTER. He is a good friend. He is not always necessarily right.

Mr. PRYOR. Professor Levin concluded that the sense-of-the-Senate language in the Hatch substitute purporting to encourage parties to litigate quickly was of little effect. I quote:

> This is laudable sentiment but without legal impact. In short, it evidences recognition of the problem but not an effective solution.

That is from Professor Levin.

So my colleagues and I look forward to the Senator's contribution to this issue. We have already addressed this question with him before. I can say without reservation that any changes proposed in the Senate to expedite litigation under the Hatch-Thurmond substitute would be welcome, as it currently contemplates an entirely unworkable and unbalanced process intended to block competition in the marketplace.

So I look forward to the Senator from Pennsylvania offering that contribution. I look forward to working with him. I agree that we are very close to a meeting of the minds on this particular issue.

Mr. SPECTER. Mr. President, I do intend to pursue the expedited procedure. One of the items that I agree with the Senator from Arkansas on is how much time has passed here. I think that his cause might be advanced by accepting the burden of proof on the generic manufacturer and allowing this litigation to go forward with the provision for expedited procedures, and then damages for any time that the generic manufacturers are denied entry into the market after a substantial investment had been made, as determined in judicial proceedings, because what is happening now is that there have been lengthy proceedings in the Judiciary Committee. We have a very busy calendar.

The managers of this bill want to move ahead with the Department of Defense authorization bill. But having brought this matter to the floor, it is an important one which merits at least this much discussion. We think that the Members could come to an agreement and find some way to expedite a legislative determination, which even if the burden is shifted to the generics—and they have to establish the judicial determination first—it may be very much more to the Senator's advantage than having this matter go over from today to sometime in the future. And who knows when there will be a determination, given the short year, the election year, the appropriations bills, and all of the work of the Congress will have?

Mr. PRYOR. Mr. President, let me respond. Then I am going to sit down because I am going to Little Rock in just a few minutes.

Mr. SPECTER. Mr. President, maybe I should save my better arguments for later.

Mr. PRYOR. This Senator looks forward to working with him on this matter. We also would like to respond by saying that we hope when the Senator offers an amendment or language in this field, that it will not be a lawyers relief amendment, which the substitute amendment very clearly is in fact and in effect. It would tie up the marketplace in litigation with impossible definitions and insuperable barriers for years and years.

Speaking of expedited procedure, I have been trying since January to get on the floor and have a vote on this amendment—just a simple vote with an hour or 30 minutes equally divided, whether up or down or to table the amendment. But for some reason or another, some of my colleagues on the other side, including some of my very best friends, have prevented this all year.

Before we move forward and before the final vote is cast on this DOD authorization bill, this Senator is going to get a vote on our amendment. We think that it should be voted on. We think that is only fair. And I am going to push for a vote on this proposal on the DOD authorization bill.

The Senator from Pennsylvania probably knows that the Department of Defense buys $900 million worth of prescription drugs every year for servicemen and servicewomen all over the world. They can save $30 million overnight by the passage of the amendment that my colleagues and I have proposed.

I hope our friend and colleague, the Senator from Pennsylvania, will help us find an expedited procedure to bring this amendment to a favorable resolution by letting the Senate vote up or down on it once and for all.

I thank the Senator.

Mr. SPECTER. I thank my colleague for the colloquy. I will try to help him find an expedited procedure. I will not suggest anything that would make a lawyer rich, even though my colleague may be returning to the practice of law after he finishes the distinguished service in this Congress. But it would be my suggestion that Senator PRYOR, Senator HATCH, Senator THURMOND, and the Members sit down and try to work it out, to try to get the parties in the pharmaceutical companies and the generics, where they really understand the intricacies and the facts of the matter, to try to solve this off the floor, because I think that would be in the best interest of the American people.

Mr. KEMPTHORNE. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER (Mr. ABRAHAM). The Kyl amendment No. 4049.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent on behalf of Senator BROWN that he be added as a cosponsor to amendment No. 4055, the Kerrey-McCain amendment regarding compensation for lost commandos.

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

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent to lay aside the pending amendment.

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

AMENDMENT NO. 4089

(Purpose: To waive any time limitation that is applicable to awards of the Distinguished Flying Cross to certain persons)

Mr. KEMPTHORNE. I offer an amendment which would waive the time limitations toward certain declarations for specified persons. I believe the amendment has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The clerk read as follows:

The Senator from Idaho [Mr. KEMPTHORNE] proposes an amendment numbered 4089.

Mr. KEMPTHORNE. 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 end of subtitle D of title V add the following:

SEC. 540. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO SPECIFIED PERSONS.

(a) WAIVER OF TIME LIMITATIONS.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply in the case of awards of decorations as described in subsection (b), the award of each such decoration having been determined by the Secretary of the Navy to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II as follows:

(1) FIRST AWARD.—First award, for completion of at least 20 qualifying combat missions, to the following members and former members of the Armed Forces:

Vernard V. Aiken of Wilmington, Vermont.
Ira V. Babcock of Dothan, Georgia.
George S. Barlow of Grafton, Virginia.
Earl A. Bratton of Bodega Bay, California.
Herman C. Edwards of Johns Island, South Carolina.
James M. Fitzgerald of Anchorage, Alaska.
Paul L. Hitchcock of Raleigh, North Carolina.
Harold H. Hottle of Hillsboro, Ohio.
Samuel M. Keith of Anderson, South Carolina.
Otis Lancaster of Wyoming, Michigan.
John B. McCabe of Biglerville, Pennsylvania.
James P. Merriman of Midland, Texas.
The late Michael L. Michalak, formerly of Akron, New York.
The late Edward J. Naparkowsky, formerly of Hartford, Connecticut.
A. Jerome Pfeiffer of Racine, Wisconsin.
Duane L. Rhodes of Earp, California.
Frank V. Roach of Bloomfield, New Jersey.
Arnold V. Rosekrans of Horseheads, New York.
Joseph E. Seaman, Jr. of Bordertown, New Jersey.
Luther E. Thomas of Panama City, Florida.
Merton S. Ward of South Hamilton, Massachusetts.
Simon L. Webb of Magnolia, Mississippi.
Jerry W. Webster of Leander, Texas.
Stanley J. Orlowski of Jackson, Michigan.

(2) SECOND AWARD.—Second award, for completion of at least 40 qualifying combat missions, to the following members and former members of the Armed Forces:

Ralph J. Deceuster of Dover, Ohio.
Elbert J. Kimble of San Francisco, California.
George W. Knauff of Monument, Colorado.
John W. Lincoln of Rockland, Massachusetts.
Alan D. Marker of Sonoma, California.
Joseph J. Oliver of White Haven, Pennsylvania.
Arthur C. Adair of Grants Pass, Oregon.
Daniel K. Connors of Hampton, New Hampshire.
Glen E. Danielson of Whittier, California.
Prescott C. Jernegan of Hemet, California.
Stephen K. Johnson of Englewood, Florida.
Warren E. Johnson of Vista, California.
Albert P. Emsley of Bothell, Washington.
Robert B. Carnes of West Yarmouth, Massachusetts.
Urbain J. Fournier of Houma, Louisiana.
John B. Tagliapiri of St. Helena, California.
Ray B. Stiltner of Centralia, Washington.

(3) THIRD AWARD.—Third award, for completion of at least 60 qualifying combat missions, to the following members and former members of the Armed Forces:

Glenn Bowers of Dillsburg, Pennsylvania.
Arthur C. Casey of Irving, California.
Robert J. Larsen of Gulf Breeze, Florida.
William A. Nickerson of Portland, Oregon.
David Mendoza of Mcallen, Texas.

(4) FOURTH AWARD.—Fourth award, for completion of at least 80 qualifying combat missions, to the following members and former members of the Armed Forces:

Arvid L. Kretz of Santa Rosa, California.
George E. McClane of Cocoa Beach, Florida.
Robert Bair of Ontario, California.

(5) FIFTH AWARD.—Fifth award, for completion of at least 100 qualifying combat missions, to the following members and former members of the Armed Forces:

William A. Baldwin of San Clemente, California.
George Bobb of Blackwood, New Jersey.
John R. Conrad of Hot Springs, Arkansas.
Herbert R. Hetrick of Roaring Springs, Pennsylvania.
William L. Wells of Cordele, Georgia.

(6) SIXTH AWARD.—Sixth award, for completion of at least 120 qualifying combat missions, to Richard L. Murray of Dallas, Texas.

AMENDMENT NO. 4090 TO AMENDMENT NO. 4089

(Purpose: To amend title 18, United States Code, with respect to the stalking of members of the Armed Forces of the United States and their immediate families)

Mr. WARNER. Mr. President, I send to the desk an amendment in the second degree.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia (Mr. WARNER), for himself, and Mrs. HUTCHISON, proposes an amendment numbered 4090 to amendment No. 4089.

Mr. WARNER. 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 end of the amendment, add the following new section:

SEC. . MILITARY PERSONNEL STALKING PUNISHMENT AND PREVENTION ACT OF 1996.

(a) SHORT TITLE.—This section may be cited as the ''Military Personnel Stalking Punishment and Prevention Act of 1996''.

(b) IN GENERAL.—Title 18, United States Code, is amended by inserting after section 2261 the following:

''§ 2261A. Stalking of Members of the Armed Forces of the United States

''(a) IN GENERAL.—Whoever, within the special maritime and territorial jurisdiction of the United States or in the course of interstate travel, with the intent to injure or harass any military person, places that military person in reasonable fear of the death of, or serious bodily injury to, that military person or a member of the immediate family of that military person shall be punished as provided in section 2261.

''(b) DEFINITIONS.—For purposes of this section—

''(1) the term 'immediate family' has the same meaning as in section 115; and

''(2) the term 'military person' means—

''(A) any member of the Armed Forces of the United States (including a member of any reserve component); and

''(B) any member of the immediate family of a person described in subparagraph (A).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 2261(b) of title 18, United States Code, is amended by inserting ''or section 2261A'' after ''this section''.

(2) Sections 2261(b) and 2262(b) of title 18, United States Code are each amended by

striking ''offender's spouse or intimate partner'' each place it appears and inserting ''victim''.

(3) The chapter heading for chapter 110A of title 18, United States Code, is amended by inserting ''AND STALKING'' after ''VIOLENCE''.

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of title 18, United States Code, is amended by inserting after the item relating to section 2261 the following new item:

''2261A. Stalking of members of the Armed Forces of the United States.''.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the day after the date of enactment of this Act.

Mr. WARNER. 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.

Mr. WARNER. Mr. President, this amendment in the second degree I send on behalf of myself and the distinguished Senator from Texas [Mrs. HUTCHISON]. The amendment in the second degree reflects legislation that is badly needed by the whole of the United States. But given certain parliamentary situations at this time, this amendment submitted by myself and Senator HUTCHISON is limited to military personnel and their dependents.

It is my judgment that the Congress has been far too slow to address fully the rising problems associated with the many forms of domestic violence. This amendment directs the Congress' attention to one form, commonly referred to as ''stalking.'' It will enable military personnel and their dependents and families to better deal with this tragic problem, which, regrettably, is on the rise all across our land.

Yesterday I attended a press conference with Senator HUTCHISON, at which time she issued a plea concerning her bill, which is identical in many forms to this bill but applicable to all women across the United States—let her bill go free. It is at the desk, being held at the desk. Yet, all across this great Nation of ours, women every day are in fear for themselves, their families, and their children.

Mr. President, it is time for the Senate of the United States to act. The House has acted, and it is time for the Senate to act.

I have joined with Senator HUTCHISON on her bill, but we were informed—and I say with respect to the managers on the other side of the aisle—that the strongest objection would be issued if Senator HUTCHISON and I were to raise her bill as an amendment to this military authorization bill. Therefore, I, along with Senator HUTCHISON, have carved out from her bill companion legislation which applies to military personnel, their dependents and their families. That is what I have just sent to the desk as an amendment in the second degree.

Military women are in some respects at greater risk than others because so often they are, on the shortest of notice, transferred to other States, other jurisdictions, in a matter of an hour or less, to take on new responsibilities. It is imperative that they be given the maximum protection against this frightful crime.

Further, in my State of Virginia, an integral part of the greater Metropolitan Washington area covering Virginia, Maryland, and District of Columbia, it is a matter of great ease to cross the jurisdictional lines between the three entities. This amendment would provide the most important protection, Mr. President, whereby if a spouse were to obtain a restraining order in a court, that restraining order would be equally effective in other States and jurisdictions.

I want to repeat that. One of the main features of this amendment is to allow that individual menaced by the threat or actuality of stalking to get a court order and to have that court order effective equally in the 49 other States and the District of Columbia.

I bring to the attention of the Senate an article which appeared in the Washington Post just a few days ago dated June 16, 1996. The headline reads ''Navy Officer, Husband Die After Shooting at Andrews Air Force Base.'' This incident happened right here in Maryland. I will read the article in part and ask unanimous consent, Mr. President, the entire article be printed at the end of my presentation of the amendment.

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

(See exhibit 1.)

Mr. WARNER [reading]. When military police at Andrews Air Force Base received a warning early yesterday that a man was on his way to the military installation to kill his wife, they raced to close the gates of the base. But a short time later, both husband and wife, a Navy petty officer, lay dead inside their home and an Air Force police officer was seriously wounded. The slain woman was identified by Air Force officials as Melissa Comfort, age 28. Her husband was Michael Comfort, age 34. The couple's two young daughters and another adult who were inside the home for several hours after Michael Comfort arrived were unharmed.

The woman had obtained, Mr. President, a court order. This amendment would provide protection for persons like Petty Officer Comfort and military personnel all over the United States, their spouses and their dependents. It would make it a Federal crime to stalk another person on a military installation. Second, stalkers subject to restraining orders issued in any one State or the District of Columbia would be guilty of a Federal crime if they followed their victim to another jurisdiction and violated the terms of the order. In both of these instances, this amendment would enlist the resources of the Federal Bureau of Investigation to work with local law enforcement in the investigation and such other actions taken by law enforcement in the prosecution of the stalking cases. This amendment would be especially effective for military personnel and their families in this greater metropolitan area, as I stated, because of the close proximity of the three legal jurisdictions.

This extension of the enforcement mechanisms of a court order across State lines is the very heart of this legislation, Mr. President, together with enlisting the very able expertise of the Federal Bureau of Investigation.

This amendment is unquestionably relevant to the issues raised by the annual authorization bill because it is the duty of the Armed Services Committee and the duty of the Senate as a whole to provide military personnel every possible assistance in the prosecution of their duties in wearing the uniform. Protection of military personnel and their families is a key component in maintaining a well-trained and motivated military force. More and more women, fortunately, are joining our Armed Forces. I mention that in the context of the fact that women are by far the primary victims of this type of domestic violence. Congress must, therefore, take care that our support system for which we are responsible—remember, Congress is the one that is responsible for the support system of the U.S. military—is such that they can perform their duties.

Mr. President, I am a strong supporter of S. 1729, the bill that is currently at the desk, sponsored by the distinguished Senator from Texas, Mrs. HUTCHISON, entitled, ''Interstate Stalking, Punishment and Prevention Act of 1996.'' This legislation would do even more to significantly enhance the fabric of laws designed to deter and punish stalking.

First, the measure of the Hutchison bill would make it a Federal crime to stalk another person across State lines or on Federal property. The amendment I am introducing today will address those cases involving the military and their dependents. Hopefully, the Congress will take up the Hutchison bill so that it is applicable to all women. The value of today's procedure is that the Senate will vote on the Warner amendment eventually. It will vote. I predict this vote may well be 100 to nothing, sending the strongest signal that this legislation, which will be adopted for military personnel and their dependents, should be expeditiously adopted for all women across this land.

Stalkers, under both bills, covered by one State's restraining order would face a Federal felony—a Federal felony—if they followed their victims to another State or the District of Columbia and continued to perpetrate the criminal action of stalking.

Third, the relationships other than spouses and ex-spouses would be covered by the Hutchison bill, recognizing abusive relationships can and do happen between persons of the opposite sex who are not married or divorced.

Mr. President, this action by the Congress is long overdue. As I said, the House has acted on a companion piece

of legislation to that being held at the desk. There is no reason, in my judgment, why the Senate should not expeditiously act, as has the House of Representatives, to get this bill to the President for signature as quickly as possible.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Washington Post, June 16, 1996]

NAVY OFFICER, HUSBAND DIE AFTER SHOOTINGS AT ANDREWS AIR FORCE BASE

(By Steve Vogel and Arthur Santana)

When military police at Andrews Air Force Base received a warning early yesterday that a man was on his way to the military installation to kill his wife, they raced to close the gates to the base. But a short time later, both husband and wife, a Navy petty officer, lay dead inside their home, and an Air Force police officer was seriously wounded.

The slain woman was identified by Air Force officials as Melissa Comfort, 28. Her husband was Michael Comfort, 34. The couple's two young daughters and another adult, who were inside the home for several hours after Michael Comfort arrived, were unharmed, authorities said.

Just before 2:30 a.m., someone called 911 and reported that Melissa Comfort's life was in danger. Officials have not identified the caller.

After police dispatchers altered the base about the call, military police sealed off Andrews to try to prevent Michael Comfort from entering, according to Air Force officials. But it is possible that he already may have been on the grounds. Michael Comfort, who is not in the military, did not live with his wife on the base, according to Lt. Karl Johnson, a Navy spokesman, who said Michael Comfort was barred from seeing his wife by a protective order.

''Unfortunately, the individual got in before they locked down, or he jumped the fence,'' said Mike Beeman, a base spokesman. Beeman said Air Force police took action ''moments after'' the warning was received.

Two members of Air Force Security Police were sent to check on Melissa Comfort and her daughters in the town house-style duplex in the 4600 block of Maple Court on the western edge of the base. But upon arrival, a man fired a shotgun at the officers, officials said.

''One guy opened fire and then retreated inside the house,'' Beeman said.

One of the military police officers, security Airman 1st Class Michael Blagoue, was struck in the face and abdomen by shotgun pellets, Johnson said. Blagoue was in stable condition at the base hospital, where he was expected to stay the night, officials said.

The military police fired back at Comfort, Johnson said. ''Whether they hit the suspect, we don't know,'' Beeman said.

Additional gunfire was heard soon afterward from inside the house. Military police surrounded the home and evacuated nearby homes, officials said.

The couple's girls, ages 4 and 2, were inside the home, along with a woman, a family friend who has been stationed overseas. It was not immediately clear whether the woman entered the home before or after Michael Comfort arrived.

''We were told he was holding everybody hostage,'' Beeman said.

After several hours without contact with anyone inside the town house, police forced their way into the home at 6:10 a.m. and found the friend and the two children unharmed and both Comforts dead from shotgun wounds. Officials could not immediately say why the friend did not try to contact police in the three hours before police entered the home.

''We don't know why they didn't exit the home earlier,'' Beeman said.

Air Force spokesman could not say in which rooms the dead couple, the children and the friend were found or the location of the children at the time of the shootings.

Johnson said Melissa Comfort, a petty officer second class originally from Fairmont, N.C., who joined the Navy in 1986, was assigned to the Office of Naval Intelligence in Suitland.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, has the Pastore rule expired for the day?

The PRESIDING OFFICER. Yes, it has.

Mr. BYRD. I thank the Chair. Time is not controlled?

The PRESIDING OFFICER. Time is not controlled.

HAPPY BIRTHDAY, WEST VIRGINIA

Mr. BYRD. Mr. President, most people in this city, the majority of my colleagues in this Chamber included, will walk around this harried town today and breathe deeply the sultry air of summer that has settled in upon us, registering only the mingling of Maine Avenue fish markets, tour-bus fumes, and suburban barbecues.

I, however, nudge open my office window and am greeted by the fragrances of breezes that have swept across the Appalachians, up and down the Alleghenies, and have gently settled into the Potomac Valley. My lungs fill with the spicy scents of cool sylvan settings and the sweet bouquet of mountain laurel.

The sounds that most others hear today may be just the clacking of Metro trains, the clamor of commuting workers, and the roar of circling airline traffic.

But through the urban din, I hear the sounds of string bands flowing down the hollows and over the hills, the rush of river rapids, and the laugher of adventurous climbers, scaling Seneca Rocks.

Mr. President, to most, today may mark merely the beginning of another long, sticky summer but to me it is a date that tugs at my soul, calling me home.

This day is the 133rd anniversary of the birth of West Virginia, my beloved home State.

At the time West Virginia was admitted to the Union, America was in the midst of a cruel and bloody civil conflict and West Virginia herself was gripped by a vicious type of guerrilla warfare which saw brothers and sons and neighbors and longtime friends, facing one another across battle lines in mountain skirmishes.

Fortunately, at the war's end, we remained one Nation—bound more strongly than before—and West Virginia, having recovered from her divisive beginnings and settled comfortably into this more solid union, went on to mature into a graceful, independent-minded State.

West Virginia is where I long to be—the land where saffron shafts of sunlight pierce through the early morning mists in spring; where hymns from the religious song books speak louder than guns, and the attendance at family reunions can still swell into the hundreds.

It is a land of hardworking, honest, loyal, patriotic God-fearing people who care about their communities and each other. Since the moment of her birth, West Virginia has undergone great change; yet, as I so often like to boast, she has never lost her grasp on the ''old values'' that continue to set her apart among the 50 States.

Today, faith resides in her hills just as surely as it did when I was just a boy, living in her southern coal mining communities.

Faith is what has kept us going when hope has been in short supply. But it is hope that shapes our vision of the future and drives us to achieve our dreams.

Mr. President, today, as we celebrate West Virginia's 133d birthday, it is appropriate that we should reflect upon her past. But it is also fitting that we should take this time to measure her progress and look toward her tomorrows.

Therefore, on her birthday, my wish for my State and her people is for the availability of quality education to prepare our workforce for the jobs of the future; access to adequate health care; a continuation of a comfortable quality of life; construction of a more modern, safer transportation infrastructure; and further development of a robust business climate; protection of her natural resources; a comfortable quality of life, and the preservation of those ''old values'' that will guide her on a successful and honorable path into the next millennium.

While West Virginia may adapt and modernize and enjoy the fruits of economic prosperity, I hope that she will always be the sort of place that fills her native sons and daughters with a longing to be home.

Happy birthday, West Virginia. You are always in my heart.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. THURMOND. Mr. President, I yield to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I thank my friend and colleague.

CHURCH BURNINGS

Mr. PELL. Mr. President, to burn a church is to destroy more than a building. Burning a church strikes at the

soul of a community, at it most sacred place. These fires bring terror and tears to communities that often have known all too much of both. And we are all diminished in spirit by the despicable doings of a hate filled few.

Yet even from such a cowardly and vile act, great good has sprung. I note that upon the publicizing of these burnings, there has been an outpouring of support for the beleaguered congregations, both to fund the rebuilding of the churches and to assist in the apprehension of the perpetrators. Reconstruction of the churches has become a community affair, with volunteers from across the Nation.

Those who would burn a church should remember that to do so serves only to awaken a moral imperative to speak out and act against such violence. George Washington reflected the spirit of the Nation when he wrote in a letter to the congregation of Touro Synagogue of Newport, RI, that the Government of the United States ''gives to bigotry no sanction, to persecution no assistance.'' Today, 206 years later, Washington's words echo with renewed fervor across an outraged land.

THE DEATH OF LE MAI, VICE FOREIGN MINISTER OF VIETNAM

Mr. PELL. Mr. President, I wish to note with regret the sudden death last week of Le Mai, the Deputy Foreign Minister of Vietnam. Le Mai hosted me for dinner just 3 weeks ago when I was in Hanoi. I found him to be warm, intelligent, and above all eager to continue the process of improving relations with the United States.

Mai's death comes at a particularly difficult time in Vietnamese politics. The Communist Party is scheduled to hold a crucial party congress at the end of this month, where several important decisions regarding the near future of the country will be made. Mai would have been a strong force pushing Vietnam toward a more open economic system. He told me in Hanoi that Vietnam's biggest mistake so far was imposing a demand economy. He argued that the laws of capitalism ''just are'' and that Vietnam has developed much since economic reforms were started in the late 1980's. He also would have been a strong force pushing his government toward more friendly relations with the West. He recognized that his country needed political, as well as economic reforms and said he wanted closer relations with the United States in part to help his fellow countrymen better understand our system.

Le Mai was one of the principle architects of the normalization process between the United States and Vietnam and his dedication to moving that relationship further forward was evident in our discussions. He stressed the need for the United States to have an active presence in Southeast Asia, economically, politically and even militarily. He understood the lingering problems that many in both countries have with the bilateral relationship because of the war, but argued that it was important for governments to try to forge policies to get past people's emotions. He recognized, too, the responsibility that he and other leaders in both countries had in creating those policies, telling me that ''our generation fought the war, so it is our duty to solve the problems'' that resulted from it.

His death is a loss to his country and to the ongoing process of improving relations between our two countries.

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. NUNN. Mr. President, I ask unanimous consent that the quorum call be rescinded.

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

PRIVILEGE OF THE FLOOR

Mr. NUNN. Mr. President, on behalf of Senator JOHNSTON, I request that a member of his staff, Comdr. Paul Gonzales, a congressional fellow, be allowed floor privileges for the duration of debate on the Defense authorization bill.

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

Ms. SNOWE. Mr. President, I wish to express my support for S. 1745, the Defense authorization bill for fiscal year 1997. The Armed Services Committee has done an outstanding job by bringing to the full Senate a bill that responsibly addresses this country's national security needs.

Fortunately, the end of the cold war has reduced the most immediate threat of nuclear war. And while it is natural to feel relief that the struggle against Soviet expansionism has been won, it would be naive and short-sighted to conclude that real threats to our Nation's security no longer exist. The end of the cold war has uncapped a host of long-simmering regional conflicts around the globe. Combined with the proliferation of nuclear and missile technology as well as chemical and biological weapons, these limited conflicts carry the potential for far wider consequences. We must recognize that the world is still a dangerous place and that maintaining an adequate level of military preparedness must continue to be a national priority.

The fact is that funding for national defense has been on a dangerous downward track for over a decade. Funding for national defense has fallen by 41 percent in real terms since 1985. The fiscal year 1997 defense budget will be at its lowest level since the Korean war buildup began in 1950.

Even more alarming is the fact that military procurement has dropped by 71 percent over the last 10 years. The practical result is that our service men and women are forced to use aging equipment which will increasingly impair military readiness. The defense budget submitted by President Clinton for fiscal year 1997 would unwisely continue this neglect of our military hardware and would—not for the first time, I might add—postpone spending for critical weapons modernization programs into the future.

The Armed Services Committee deserves credit for crafting a responsible bill that addresses the need for modernization and provides the necessary resources. The $12.9 billion added by the committee to the administration's defense funding request is mainly for additional procurement items including one DDG–51 destroyer, four F–16 fighter planes, six F/A–18's, and one C–17 cargo transport. Nearly 30 percent of the $12.9 billion added by the committee is for accelerated research and development for programs such as missile defense, the new attack submarine, and a new arsenal ship armed with cruise missiles. These add-ons reflect the concerns and priorities of the military services themselves.

While upgrading and modernizing military hardware deserves a high priority, so too does ensuring that our Armed Forces personnel receive the benefits they deserve. The best military equipment in the world is of little value without the highly trained and hard-working service men and women on whom our national defense depends. I am therefore pleased that the fiscal year 1997 Defense authorization bill authorizes a 3-percent military pay raise and a 4-percent increase in the basic allowance for quarters.

Overall, the committee proposes a reasonable level of defense spending in the coming fiscal year, one which I believe acknowledges that defense resources are not unlimited. The committee's recommendation of $267.3 billion in defense spending for fiscal year 1997 is only $2.1 billion above the fiscal year 1996 level in nominal terms. Adjusted for inflation, the committee's recommended defense authorization level is actually $5.6 billion below the current level of defense spending in real terms.

Mr. President, the people of Maine support a strong national defense and they have always been ready to do their part. Maine's Bath Iron Works is one of two private U.S. shipyards that build the Arleigh Burke class destroyer for the Navy. I am pleased that the fiscal year 1997 Defense authorization bill authorizes $3.4 billion for four destroyers in fiscal year 1997 plus $750 million in advance procurement for one additional ship in fiscal year 1998. The advanced procurement for a fiscal year 1998 destroyer is crucial to implementing the Navy's acquisition plan of building three ships per year in each of the 4 years from fiscal year 1998 through fiscal year 2001. As a result of this orderly and efficient procurement

plan, the price per ship will drop significantly and the Navy will realize cost savings of $1 billion over the 4-year period.

The bill also adds $45.3 million to continue the Navy's current strength of 13 active and 9 reserve squadrons of P–3 patrol aircraft. Four active and three reserve P–3 squadrons are based at Maine's Brunswick Naval Air Station, the only active military airfield in New England. These squadrons plays an important role in antisubmarine warfare in the North Atlantic sealanes and in the Navy's littoral warfare mission in Europe and the Mediterranean region. One of the active P–3 squadrons based at Brunswick Naval Air Station in Maine is targeted for decommissioning for budgetary reasons, not because there has been any change in the Navy's mission. The funds authorized in this bill will ensure that Brunswick NAS will maintain its current level of four active P–3 squadrons.

Mr. President, S. 1745 embodies a well-balanced approach to our national defense in fiscal year 1997. It preserves our readiness to meet military emergencies, it emphasizes modernization and new weapons procurement, it continues research and development of promising new technologies, and it treats our military personnel fairly. Again, I congratulate the Armed Services Committee on their work, and I urge that the bill be adopted.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The assistant legislative clerk proceeded to call the roll.

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

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

MILITARY NOMINATIONS

Mr. NUNN. Mr. President, I know the Senator from South Carolina has been working diligently, and he called a hearing. We have a number of very important military nominations out of our committee. They are now pending on the calendar. I know he has also followed that and has been working diligently to try to get all of these nominations approved by the end of business this evening, or certainly by tomorrow.

I both thank him for that, and I emphasize to all of our colleagues how important it is. Many of these positions need to be filled now. We have had these nominations before us for the appropriate time. We have looked into them on the committee. They are very top officials that will be going to various and important positions all over the world.

We have General Kadish, U.S. Air Force, who is one of these.

We have General Kross. General Kross will be going to TRANSCOM.

We have a number of Army nominations.

We have General Tilelli, to be the top military official in a very, very important and volatile part of the world, Korea. He wears two hats, both in U.S. Army and the U.N. Command.

We have General Wesley Clark in the SOUTHCOM position—enormously important.

We have a number of U.S. Army Reserve officers: General Bergson, General Caton, General Kropp, General O'Connell, Colonel Deloatch, to be major generals; Colonel Diamond, to be brigadier general; Colonel Gilley, Colonel Gilliam, Colonel Roan, Colonel Rossi, and Colonel Simmons, to be brigadier generals.

We have Lt. Gen. David Bramlett going to FORCEM, another very important position, commanding all of our Army forces in the United States.

We have General Schoomaker.

We have a number of Marine Corps generals:

Brigadier General Braaten; Brigadier General DeLong; Brigadier General Hanlon; Brigadier General Higginbotham; Brigadier General Karamarkovich; Brig. Gen. Jack Klimp;

Maj. Gen. Carol Mutter, she will become the head of manpower in the Marines Corps. She will also became the highest ranking female to serve not only in the Marine Corps but also in the history of our military. I have met her, have talked to her, and have followed her career—an enormously important general.

I will not name all of these, but I guess the first thing I would like to say to my chairman, Senator THURMOND, is that I appreciate his diligence in trying to get these nominations through, and I hope that we will be able to get all of them through this evening.

I certainly urge my colleagues who may have questions about any of the nominees or have any concerns about the nominees, to basically come to the floor and let us know and state their concerns, and let us see if we cannot follow them and get all of these nominations through.

I think it is important for them to go through. I believe, if any of them do not go through, that it is very important for the leadership of the Senate to schedule a debate and let us debate them. If there are any concerns about any of them, I think we ought to debate it, get the concern out on the floor and have the Senate vote on it.

That would be my hope. I believe the Senator from South Carolina will share that hope.

Mr. THURMOND. Mr. President, these nominations have been before us for quite a time. They all meet the requirements. They should be approved. They are needed in their respective services. I hope that we could get those up as quickly as possible and get them approved.

There is one that is being objected to by a Senator. Maybe we can act on the rest of them. I would like to see all of them acted on, including that one. But maybe we can act on the rest of them so they can go about performing their duties.

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

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. NUNN. Mr. President, there was a unanimous-consent request that was submitted today asking that all amendments be filed today or not be in order. That unanimous-consent request was not agreed to. It is my strong hope, though, that we will be able to have that kind of unanimous-consent request agreed to early next week.

I serve notice on our side of the aisle that we would like all amendments filed by 4 o'clock next Tuesday afternoon. I have talked to the chairman about this. I have talked to the majority leader, Senator LOTT, about this. It is certainly my intention to do everything possible to get that kind of unanimous-consent agreement early next week.

So I serve notice today to all our colleagues, particularly those on the Democratic side of the aisle, from my perspective, that I will do everything in my power to help Senator THURMOND, and the leaders on both sides of the aisle, in their efforts to move this bill next week. The way to do that is to have all amendments that are going to be considered on this bill in by Tuesday at 4 o'clock.

It is my understanding that the majority leader would like to pass this bill next week, as well as the Defense appropriations bill. We have gotten bogged down on nongermane amendments now. It is my hope we can get back on Defense amendments, stick to those and get this bill done next week.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, there is no more important legislation before this Congress than to get this Defense authorization bill passed. We have been pleading with the Members to come in with their amendments. They have been delayed, delayed. Now the time has come to act.

We ask everyone who has an amendment to come forward and present their amendment by Tuesday at 4 o'clock. We are going to begin acting. We would like to have the amendments all in at that time. I urge all of the Members to do that, especially those on the Republican side. Senator NUNN has spoken about the Democratic side. He and I are working together. We are working together for the good of the country with this bill. It is nonpartisan.

We want to get action. We want to get results. We want to help this Nation. To do it, we ought to pass this Defense authorization bill as soon as possible.

Mr. President, I also want to commend our able majority leader for all he is doing to help us get this bill passed. He was a member of this committee at one time, a very stalwart, able member. I am sure he will continue his commitment on this bill. We thank him very much.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I thank the distinguished chairman for those comments. I enjoyed my 8 years on the committee. I will always feel like I am a part of it. As usual, I will continue to take orders and directions from the Senator from South Carolina and the Senator from Georgia, as I have just been doing to try to find ways to move this bill and get some votes and also get some of the issues that really should not be on this bill to be handled in some other way. I am going to work with the distinguished Democratic leader to make sure we do that.

I, too, want to say Members should have their amendments ready. I am glad we are going to move on Tuesday to get that list. We have already notified our Members on our hot line system today as if a unanimous-consent agreement was reached, even though it was not, to get their amendments in. We really need to press that point. I know the Democratic leader is going to be working on that, too. We will work with you.

We are determined we are going to get this bill done before there is any Fourth of July recess. We made a commitment to go out next Friday, but we have work to do, and we are going to get it done next week, even if we do have to stay late at night.

Mr. THURMOND. I think it is well for them to understand, we are going to take no recess until we get this bill accomplished.

Mr. LOTT. Mr. President, I do have some requests now we would like to work through with the Democratic leader.

MORNING BUSINESS

NOMINATION OF KEITH R. HALL

Mr. COHEN. Mr. President, I would like to take this opportunity to endorse the nomination of Mr. Keith R. Hall to be Assistant Secretary of the Air Force for Space. I have known Mr. Hall since 1983, when I was first appointed to serve on the Senate Intelligence Committee. I came to know Mr. Hall particularly well during the period from 1987 to 1990, when I served as the vice chairman of the Intelligence Committee. During that period, the chairman and I relied heavily on Mr. Hall for assessments of the arcane programmatics surrounding the President's budget submissions for the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the National Reconnaissance Office. Throughout this period, Mr. Hall demonstrated exceptional knowledge and expertise, unflagging energy and integrity, and a truly nonpartisan spirit of cooperation with myself and other members of the minority party on the committee.

In 1991, Mr. Hall left the Intelligence Committee to become the Deputy Assistant Secretary of Defense for Intelligence and Security in the Office of the Secretary of Defense. By all accounts, he served very ably in that position, instituting new procedures to try and eliminate potentially wasteful duplication between national and tactical intelligence programs. From May 1995, until February of this year, Mr. Hall served as the Executive Director for Intelligence Community Affairs. In that position, Mr. Hall was directly responsible to the Director of Central Intelligence for developing the President's National Foreign Intelligence Program. I think it came as no surprise to anyone that Secretary Deutch brought Mr. Hall with him from the Defense Department when he became Director of Central Intelligence.

As my colleagues are aware, the National Reconnaissance Office has been the target of substantial controversy in recent years as a result of the costs associated with its new headquarters as well as the accumulation of a vast excess of carry-forward funds that accumulated in various accounts in recent years. Inevitably, these controversies have damaged the morale of the organization, notwithstanding the numerous spectacular achievements of the NRO. There is no doubt in my mind that Mr. Hall will be forthright in all of his dealings with Congress; that he will ensure there is no repetition of such controversies; and that he will be able to maintain and effectively manage the careful cooperation between the Intelligence Community and Defense Department that is necessary for the effective operation of the National Reconnaissance Office.

Mr. Hall has earned the confidence of officials at all levels of the administration and he certainly earned my confidence during his able service on the staff of the Senate Intelligence Committee. He is an outstanding individual and I urge my colleagues to support his nomination.

I ask unanimous consent that a copy of Mr. Hall's complete résumé be printed in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follow:

KEITH R. HALL, DEPUTY DIRECTOR, NATIONAL RECONNAISSANCE OFFICE

Keith R. Hall was appointed Deputy Director, National Reconnaissance Office (NRO) and Acting Director, NRO on 27 February 1996. Prior to his appointment, Mr. Hall had served as Executive Director for Intelligence Community Affairs, assuming that position in May 1995. In this capacity he led a community staff which reported directly to the Director of Central Intelligence providing advice and assistance to the Director in planning and executing his Community management responsibilities. Mr. Hall was then principal architect and co-chairman of the Intelligence Program Review Group process. He was also co-chairman of the Security Policy Forum and with the Vice Chairman Joint Chiefs of Staff, directed the study group which proposed the creation of the Imagery and Mapping Agency.

Mr. Hall has been involved in United States intelligence in various capacities since 1970. He served nine years in Army intelligence where he was assigned to various signals and human intelligence positions, including two tours in which he commanded overseas operational intelligence units. In 1979, having been nominated and competitively selected as a Presidential Management Intern, he resigned from the Army and was appointed to the Office of Management and Budget where he was the budget examiner for the Central Intelligence Agency until 1983.

From 1983 to 1991, Mr. Hall served in a variety of professional staff positions with the Senate Select Committee on Intelligence, eventually serving as Deputy Staff Director. In that capacity, he had primary responsibility for supporting Committee members in the annual budget authorization process involving all United States intelligence activities. As a member of the Committee's senior staff, he also played a key role in other Committee activities including oversight of intelligence programs, interaction with other Congressional and Executive Branch elements, and review of intelligence-related legislation.

From 1991 until his appointment as Executive Director for Intelligence Community Affairs, Mr. Hall served as the Deputy Assistant Secretary of Defense for Intelligence and Security in the Office of the Secretary of Defense. His responsibilities included policy development, resource management, and oversight for all Defense intelligence, counterintelligence, and security activities. In this capacity he served as Chairman of the National Counterintelligence Policy Board and Co-Chairman of the Intelligence Systems Board.

He received his BA in History and Political Science from Alfred University and a Masters in Public Administration from Clark University. Mr. Hall has received several military awards and decorations; the Director of the Office of Management and Budget Award for Professional Achievement, the Central Intelligence Agency Gold Seal Medallion, and the Secretary of Defense Award for Distinguished Civilian Service.

FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending June 14, the United States imported 8,400,000 barrels of oil each day, 400,000 barrels less than the 8,800,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 57 percent of their needs last week. Before the Persian Gulf War, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil? U.S. producers provide jobs for American workers. Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 8,400,000 barrels a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, I think so often of that November evening long ago, in 1972, when the television networks reported that I had won the Senate race in North Carolina. It was 9:17 in the evening and I recall how stunned I was.

I had never really anticipated that I would be the first Republican in history to be elected to the U.S. Senate by the people of North Carolina. When I got over that, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

I have kept that commitment and it has proved enormously meaningful to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the 23 years I have been in the Senate.

A large percentage of them are greatly concerned about the total Federal debt which back in February exceeded $5 trillion for the first time in history. Congress created this monstrous debt which coming generations will have to pay.

Mr. President, the young people who visit with me almost always are inclined to discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 25, 1992. I decided that it was important that a daily record be made of the precise size of the Federal debt which, at the close of business yesterday, Wednesday, June 19, 1996, stood at $5,120,985,354,306.65. On a per capita basis, the existing Federal debt amounts to $19,316.20 for every man, woman, and child in America on a per capita basis.

The increase in the national debt in the 24 hours since my report yesterday—which identified the total Federal debt as of close of business on Tuesday, June 18, 1996—shows an increase of more than $2 billion—$2,784,604,782.12, to be exact. That 1-day increase alone is enough to match the total amount needed to pay the college tuition for each of the 412,901 students for 4 years.

NOMINATION OF ALICE M. RIVLIN

Mr. ABRAHAM. Mr. President, earlier this afternoon, I joined 40 Republicans to oppose the nomination of Alice Rivlin to the Board of Governors of the Federal Reserve. I wanted to take a moment now to explain my vote.

Let me emphasize that my vote should not reflect personally on Dr. Rivlin. Instead, it was exclusively based upon the manner in which the Clinton administration has not been forthcoming regarding its budget submission for fiscal year 1997.

As has been made clear in previous debates, in order to reach balance by the year 2002, the Clinton budget would require dramatic discretionary spending cuts in 2001 and 2002. These cuts would affect programs across the Government, including veterans' health care, medical research, and WIC.

Subsequent to the submission of this budget, several Cabinet Secretaries testified before Congress that the spending cuts required under the President's budget were subject to renegotiation on a yearly basis and should not be taken literally. In other words, the President's own appointees, who helped put his budget together, were claiming that the policies necessitated by that budget were not going to be pursued.

As Director of the Office of Management and Budget, Dr. Rivlin has been requested to account for the conflict between the President's budget and the testimony of his Cabinet Secretaries. As of this afternoon, however, Dr. Rivlin has been unable to provide what would be termed, in my opinion, as a suitable explanation. That is why I opposed her nomination.

Before I yield the floor, Mr. President, let me make myself clear. I have no misgivings about Dr. Rivlin's fitness or ability to fill the position to which the President has nominated her. Instead, my vote reflects my dismay at Congress' inability to get a straight answer from the administration about whether it stands behind its budget submission or not.

FORMER ALABAMA SENATOR JEREMIAH DENTON AND THE DENTON AMENDMENT PROGRAM

Mr. HEFLIN. Mr. President, former Alabama Senator Jeremiah Denton was recently honored at a luncheon and conference here on Capitol Hill for a significant amendment he sponsored and secured passage of in 1984. The event honoring Senator Denton was hosted jointly by our colleague Senator DEWINE of Ohio and Matthew:25 Ministries in Cincinnati, which operates a relief program for schools, orphanages, and clinics in Nicaragua.

This amendment passed as a part of the Defense authorization bill on October 19, 1984. It allowed, for the first time, the shipment of humanitarian goods from non-profit groups free of charge on military planes on a space-available basis. These goods include school, medical, and agricultural supplies and range from hospital beds to pencils.

Congress approved the legislation in order to resolve various legal questions involved in such shipments and in order to take advantage of unused space on military vessels in Central America in times of crisis. It has since been expanded to encompass most of the world, and to date, more than 10 million pounds of goods have been shipped to needy countries. In fiscal year 1995, the program was used to transport approximately 2 million pounds of humanitarian goods to 21 different countries. It is now known widely as the Denton Amendment Program. Senator Denton was a member of the Armed Services Committee while in the Senate.

Groups such as Gay Construction of Decatur, AL, have used the program to ship 40,000 pounds of medical and school supplies to orphans in Albania. The Episcopal Diocese of Mississippi used it in March 1995 to send 4,000 pounds of medical supplies and clothing to a small village in the Honduras.

Under the Denton program, the Department of Defense pays for the extra fuel used by its planes due to the heavier loads. The U.S. Agency for International Development pays for inspection costs, which are usually very small, and the Department of State monitors compliance of shipments to be certain they are consistent with American foreign policy initiatives.

Senator Denton was once a Navy pilot who was shot down over Vietnam on July 18, 1965. He spent 7½ years as a prisoner-of-war in a camp in Vietnam. He first received national attention during a 1966 interview his captors arranged with a Japanese television station. During this interview, he defied his captors' order to condemn American policy, saying he would support the U.S. Government's position as long as he lived. He also blinked the word ''torture'' in Morse code into the camera. The message, which was picked up by Naval intelligence officers, was the first confirmation that American POW's were being beaten and generally mistreated by the North Vietnamese. Senator Denton's ordeal was documented in his book, ''When Hell Was in Session,'' which was also made into a movie.

As a military pilot and naval aviator, he had seen the poverty that existed in many countries, especially in Central America. He also knew that there was often empty space on cargo flights and that pilots often made ''dry runs'' in order to maintain their edge. When he put these facts together, the idea for his amendment came rather easily.

I commend and congratulate former Senator Denton for his strong leadership roles in both the Armed Forces and in the U.S. Senate. I also salute him for the tremendous sacrifices he made for his country during the Vietnam war. The Denton Amendment Program is an outstanding example of how the concern and efforts of one individual can make a real difference in the world.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:03 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1136. An act to control and prevent commercial counterfeiting, and for other purposes.

H.R. 3029. An act to designate the United States courthouse in Washington, District of Columbia, as the ''E. Barrett Prettyman United States Courthouse.''

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

At 4:19 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3005. An act to amend the Federal securities laws in order to promote efficiency and capital formation in the financial markets, and to amend the Investment Company Act of 1940 to promote more efficient management of mutual funds, protect investors, and provide more effective and less burdensome regulation.

H.R. 3107. An act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes.

MEASURES REFERRED

The following concurrent resolution, previously received from the House of Representatives, was read and referred as indicated:

H. Con. Res. 187. Concurrent resolution expressing the sense of Congress with respect to recent church burning; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following measure was placed on the calendar:

H.R. 3107. An act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes.

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3525. An act to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property.

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–3077. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Educational Assistance for Members of the Selected Reserve,'' (RIN2900–AE43) received on June 6, 1996; to the Committee on Veterans' Affairs.

EC–3078. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Invention by Employees of Department of Veterans Affairs,'' (RINAI03) received on June 10, 1996; to the Committee on Veterans' Affairs.

EC–3079. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Educational Assistance Programs and Service Members Occupational Conversion and Training Act Program,'' (RIN2900–AH31) received on June 13, 1996; to the Committee on Veterans' Affairs.

EC–3080. A communication from the President of the Kennedy Center for the Performing Arts, transmitting, pursuant to law, the annual report of the Kennedy Center for 1995; to the Committee on Rules and Administration.

EC–3081. A communication from the Assistant General Counsel, Department of Education, transmitting, pursuant to law, a rule relative to the William D. Ford Federal Direct Loan Program, (RIN1840–AC19) received on June 13, 1996; to the Committee on Labor and Human Resources.

EC–3082. A communication from the Assistant General Counsel, Department of Education, transmitting, pursuant to law, a rule relative to the report entitled ''Bilingual Education: Graduate Fellowship Program,'' (RIN1885–AA21) received on June 13, 1996; to the Committee on Labor and Human Resources.

EC–3083. A communication from the Assistant General Counsel, Department of Education, transmitting, pursuant to law, a rule relative to the report entitled ''Fund for the Improvement of Education: Elementary School Mathematics and Science Equipment Program,'' received on June 18, 1996; to the Committee on Labor and Human Resources.

EC–3084. A communication from the Director, Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Revocation of Obsolete Regulations,'' received on June 17, 1996; to the Committee on Labor and Human Resources.

EC–3085. A communication from the Director, Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Revocation of Certain Regulations Affecting Food,'' received on June 12, 1996; to the Committee on Labor and Human Resources.

EC–3086. A communication from the Assistant Secretary for Occupational Safety and Health, Department of Labor, transmitting, pursuant to law, a rule relative to Personal Protective Equipment for Shipyard Employment (PPE), (RIN1218–AA74) received on June 12, 1996; to the Committee on Labor and Human Resources.

EC–3087. A communication from the Assistant Secretary for Occupational Safety and Health, Department of Labor, transmitting, pursuant to law, a rule entitled ''Interpretive Bulletin 96–1 Relating to Participant Investment Education,'' (RIN1210–AA50) received on June 12, 1996; to the Committee on Labor and Human Resources.

EC–3088. A communication from the Labor Member of the Railroad Retirement Board, transmitting, supplemental correspondence expressing strong support for the bill (S. 1552) to amend the Railroad Retirement Act to permit payment of annuities to certain surviving divorced spouses who are not currently entitled to benefits; to the Committee on Labor and Human Resources.

EC–3089. A communication from the Deputy Executive Director and Chief Operating Officer of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule relative to the valuation of plan benefits in single-employer plans, received on June 11, 1996; to the Committee on Labor and Human Resources.

EC–3090. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the report of settlements for calendar year 1995; to the Committee on the Judiciary.

EC–3091. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, a draft of proposed legislation entitled ''The Enhanced Prosecution and Punishment of Armed Dangerous Felons Act of 1996''; to the Committee on the Judiciary.

EC–3092. A communication from the Chairperson of the U.S. Commission on Civil Rights, transmitting, a statement condemning the wave of arson attacks that have damaged or destroyed more than 30 African American churches in recent months; to the Committee on the Judiciary.

EC–3093. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the Agency's report under the Freedom of Information Act for calendar year 1995; to the Committee on the Judiciary.

EC–3094. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–279 adopted by the Council on May 7, 1996; to the Committee on Governmental Affairs.

EC–3095. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting, pursuant to law, a rule relative to additions to the procurement list, received on June 18, 1996; to the Committee on Governmental Affairs.

EC–3096. A communication from the Director of the Office of Government Ethics, transmitting, pursuant to law, the rule concerning Public Financial Disclosure, Conflicts of Interest, and Certificates of Divestiture for Executive Branch Officials, received on June 18, 1996; to the Committee on Governmental Affairs.

EC–3097. A communication from the Deputy Associate Administrator for Acquisition Policy, Office of Policy, Planning, and Evaluation, General Services Administration, transmitting, pursuant to law, a report of final and interim revisions to the Federal Acquisition Regulation, received on June 7, 1996; to the Committee on Governmental Affairs.

EC–3098. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1995 through March 31, 1996; to the Committee on Governmental Affairs.

EC–3099. A communication from the Administrator of the National Aeronautics and

Space Administration, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1995 through March 31, 1996; to the Committee on Governmental Affairs.

EC–3100. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the rule regarding notification of foreign government personnel, received on June 7, 1996; to the Committee on Foreign Relations.

EC–3101. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a rule relative to shipping and seamen, received on June 10, 1996; to the Committee on Foreign Relations.

EC–3102. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential Determination relative to the Assistance Program for Russia; to the Committee on Foreign Relations.

EC–3103. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–3104. A communication from the Assistant Secretary of Policy, Management and Budget, Department of the Interior, transmitting, pursuant to law, a final rule entitled ''Department of the Interior Regulation System; Solicitation Provisions and Contract Clauses,'' (RIN1090–AA56) received on June 13, 1996; to the Committee on Energy and Natural Resources.

EC–3105. A communication from the Assistant Secretary of Policy, Management and Budget, Department of the Interior, transmitting, pursuant to law, a final rule entitled ''Department of the Interior Acquisition Regulations; Forms,'' (RIN1090–AA57) received on June 13, 1996; to the Committee on Energy and Natural Resources.

EC–3106. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, three final rules including a rule entitled ''Public Use Regulations for the Alaska Peninsula,'' (RIN1018–AD30, 1024–AC27, 1024–AC42) received on June 13, 1996; to the Committee on Energy and Natural Resources.

EC–3107. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of the ''Program Update 1995'' for the Clean Coal Technology Demonstration Program; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1477. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act to improve the regulation of food, drugs, devices, and biological products, and for other purposes (Rept. No. 104–284).

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled ''Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996'' (Rept. No. 104–285).

By Mr. STEVENS, from the Committee on Appropriations, without amendment:

S. 1894. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes (Rept. No. 104–286).

By Mr. BURNS, from the Committee on Appropriations, with amendments:

H.R. 3517. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, and for other purposes (Rept. No. 104–287).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 3364. A bill to designate a United States courthouse in Scranton, Pennsylvania, as the ''William J. Nealon United States Courthouse''.

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 704. A bill to establish the Gambling Impact Study Commission.

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

S. 1636. A bill to designate the United States Courthouse under construction at 1030 Southwest 3rd Avenue, Portland, Oregon, as the ''Mark O. Hatfield United States Courthouse,'' and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 103–35 Bilateral Investment Treaty between the United States and Jamaica (Exec. Rept. 104–11).

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 Treaty Between the United States of America and Jamaica Concerning the Reciprocal Encouragement and Protection of Investment, with Annex and Protocol, signed at Washington on February 4, 1994 (Treaty Doc. 103–35).

Treaty Doc. 103–36 Bilateral Investment Treaty between the United States and Belarus (Exec. Rept. 104–12).

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 Treaty Between the United States of America and the Republic of Belarus Concerning the Encouragement and Reciprocal Protection of Investment, with Annex, Protocol, and Related Exchange of Letters, signed at Minsk on January 15, 1994 (Treaty Doc. 103–36). The Senate's advice and consent is subject to the following declaration, which the President, using existing authority, shall communicate to the Republic of Belarus, in connection with the exchange of the instruments of ratification of the Treaty:

(1) It is the Sense of the Senate that the United States:

(a) supports the Belarusian Parliament and its essential role in the ratification process of this Treaty;

(b) recognizes the progress made by the Belarusian Parliament toward democracy during the past year;

(c) fully expects that the Republic of Belarus will remain an independent state committed to democratic and economic reform; and

(d) believes that, in the event that the Republic of Belarus should unite with any other state, the rights and obligations established under this agreement will remain binding on that part of the Successor State that formed the Republic of Belarus prior to the union.

Treaty Doc. 103–37 Bilateral Investment Treaty between the United States and Ukraine (Exec. Rept. 104–13).

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 Treaty Between the United States of America and Ukraine Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Related Exchange of Letters, done at Washington on March 4, 1994 (Treaty Doc. 103–37).

Treaty Doc. 103–38 Bilateral Investment Treaty between the United States and Estonia (Exec. Rept. 104–14).

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 Treaty Between the Government of the United States of America and the Government of the Republic of Estonia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex, done at Washington on April 19, 1994 (Treaty Doc. 103–38).

Treaty Doc. 104–10 Bilateral Investment Treaty between the United States and Mongolia (Exec. Rept. 104–15).

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 Treaty Between the United States of America and Mongolia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on October 6, 1994 (Treaty Doc. 104–10).

Treaty Doc. 104–12 Bilateral Investment Treaty between the United States and Latvia (Exec. Rept. 104–16).

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 Treaty Between the Government of the United States of America and the Government of the Republic of Latvia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 13, 1995 (Treaty Doc. 104–12).

Treaty Doc. 104–13 Bilateral Investment Treaty between the United States and Georgia (Exec. Rept. 104–17).

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 Treaty Between the Government of the United States of America and the Government of the Republic of Georgia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex, signed at Washington on March 7, 1994 (Treaty Doc. 104–13).

Treaty Doc. 104–14 Bilateral Investment Treaty between the United States and Trinidad and Tobago (Exec. Rept. 104–18).

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 Treaty Between the Government of the United States of America and the Government of the Republic of Trinidad and Tobago Concerning the Encouragement and Reciprocal

Protection of Investment, with Annex, with Protocol, signed at Washington on September 26, 1994 (Treaty Doc. 104–14).

Treaty Doc. 104–19 Bilateral Investment Treaty between the United States and Albania (Exec. Rept. 104–19).

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 Treaty Between the Government of the United States of America and the Government of the Republic of Albania Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 11, 1995 (Treaty Doc. 104–19).

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. STEVENS:

S. 1894. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GRASSLEY:

S. 1895. A bill to amend the Internal Revenue Code of 1986 to allow certain cash rent farm landlords to deduct soil and water conservation expenditures; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LOTT:

S. Res. 267. A resolution to make changes in Committee membership for the 104th Congress; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY:

S. 1895. A bill to amend the Internal Revenue Code of 1986 to allow certain cash rent farm landlords to deduct soil and water conservation expenditures; to the Committee on Finance.

TAX LEGISLATION

• Mr. GRASSLEY. Mr. President, I introduce important tax legislation to improve our Nation's soil conservation and water quality. This measure will extend the conservation expense income tax deduction to farmers who improve soil and water conservation and rent that farmland to family members on a cash basis. This legislation builds upon an existing and successful income tax provision that applies to similar improvements on share-crop rentals. I encourage my colleagues to cosponsor this legislation and thereby endorse an environmental tax policy that uniformly encourages conservation improvements on our Nation's farms.

Among all of our Nation's farmland, 4 out of 5 acres in the United States rely on private landowners and tenants to care for the natural resources. Even though all farmers should be encouraged to become good stewards of the land, current tax policy does not provide incentives to help all private landowners and tenants to make conservation improvements that are consistent with environmental policy. On the one hand, farm landlords operating on a share-crop basis are rewarded with an income tax deduction for soil and water conservation improvements. However, cash rent landlords who make the same conservation improvements are denied a similar income tax deduction. My legislation will eliminate this inequality.

Mr. President, 43 percent of our Nation's farmland is rented. Of that farmland, 35 percent is rented on a share-crop basis, and 65 percent is rented on a cash basis. Share-crop rentals are arrangements where landlords typically contribute the real estate and improvements, and tenants contribute the labor. Cash rentals are also arrangements where landlords usually contribute the real estate and improvements. However, the landlords also contribute labor since these agreements are many times within a family farm environment.

To further compare, share-crop landlords may deduct certain costs paid or incurred for the treatment or moving of earth for soil and water conservation such as leveling, conditioning, grading, and terracing farmland. Likewise, share-crop landlords may also deduct costs incurred to build and maintain drainage ditches and earthen dams. Cash rentals, however, are not provided a tax deduction even though they practice similar conservation methods. In other words, with the substance between these rentals being often the same, the tax treatment of conservation expenses is vastly different.

Mr. President, it may surprise you to know that many family farmers are cash rent landlords. The life cycle of a family farm is one where aging parents gradually pass the family farm to their sons or daughters. In many cases, because the children cannot initially afford to purchase the family farms from their parents, a parent-child business relationship often starts out as a rental. Sometimes it is a share-crop rental, other time they agree to a cash rent relationship.

Unfortunately, our tax and environmental policy toward these two relationships remains irrational. If a landlord share-crops with a stranger, then that landlord can deduct conservation expenditures. However, if a widowed farm-wife cash rents farmland to her daughter and watches over the grandchildren while she is in the field, the grandmother cannot deduct conservation expenditures. Furthermore, a retired father who cash rents to his son and provides labor assistance during harvest is denied a conservation tax deduction.

I believe that our tax policy should encourage and reward sound soil conservation practices regardless of the situation of the farmers. At a minimum, our tax policy should reward family farmers who make long term soil conservation improvements to any of their farmland. In fact, these sound conservation practices have already aided many farmers in reducing our level of soil erosion. The USDA reported in its 1992 Natural Resources Inventory that soil erosion has decreased by 1 billion tons annually. The USDA attributes one half of that decrease to improved conservation efforts by farmers. Nonetheless, our Nation's tax policy requires that family farmers on a cash rent basis bear much of the expense of this successful environmental policy. My legislation fixes this problem. Surely, it will yield even further soil and water conservation of our Nation's most valuable non-renewable resource, farmland.•

ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HATFIELD, the names of the Senator from Washington [Mrs. MURRAY], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Virginia [Mr. ROBB], the Senator from Massachusetts [Mr. KERRY], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 704

At the request of Mr. SIMON, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 1489

At the request of Mrs. MURRAY, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of S. 1489, a bill to amend the Wild and Scenic Rivers Act to designate a portion of the Columbia River as a recreational river, and for other purposes.

S. 1703

At the request of Mr. MURKOWSKI, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1703, a bill to amend the Act establishing the National Park Foundation.

S. 1802

At the request of Mr. THOMAS, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1802, a bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes.

S. 1843

At the request of Mr. INHOFE, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1843, a bill to provide for the allocation of funds from the Mass Transit Account of the Highway Trust Fund, and for other purposes.

S. 1890

At the request of Mr. KENNEDY, the names of the Senator from Virginia [Mr. ROBB], the Senator from Florida [Mr. GRAHAM], and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 1890, a bill to increase Federal protection against arson and other destruction of places of religious worship.

S. 1893

At the request of Mrs. BOXER, her name was added as a cosponsor of S. 1893, a bill to provide for the settlement of issues and claims related to the trust lands of the Torres-Martinez Desert Cahuilla Indians, and for other purposes.

SENATE RESOLUTION 85

At the request of Mr. CHAFEE, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of Senate Resolution 85, a resolution to express the sense of the Senate that obstetrician-gynecologists should be included in Federal laws relating to the provision of health care.

SENATE RESOLUTION 263

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of Senate Resolution 263, a resolution relating to church burning.

AMENDMENT NO. 4055

At the request of Mr. KEMPTHORNE the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of amendment No. 4055 proposed to S. 1745, an original bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

SENATE RESOLUTION 267—TO MAKE CHANGES IN COMMITTEE MEMBERSHIP FOR THE 104TH CONGRESS

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. RES. 267

Resolved, That notwithstanding any provision of the Standing Rules of the Senate, the following Senators are either added to or removed from the following committees for the 104th Congress, or until their successors are appointed:

Added to:

Armed Services: The Senator from Kansas [Mrs. FRAHM];

Banking, Housing, and Urban Affairs: The Senator from Kansas [Mrs. FRAHM];

Finance: The Senator from Mississippi [Mr. LOTT];

Governmental Affairs: The Senator from New Mexico [Mr. DOMENICI];

Agriculture, Nutrition and Forestry: The Senator from Texas [Mr. GRAMM];

Rules and Administration: The Senator from Mississippi [Mr. LOTT];

Budget: The Senator from Florida [Mr. MACK].

Removed From:

Armed Services: The Senator from Mississippi [Mr. LOTT];

Banking, Housing and Urban Affairs: The Senator from New Mexico [Mr. DOMENICI];

Governmental Affairs: The Senator from Colorado [Mr. BROWN]; and

Budget: The Senator from Mississippi [Mr. LOTT].

AMENDMENTS SUBMITTED

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

GRAMM (AND OTHERS) AMENDMENT NO. 4083

Mr. GRAMM (for himself, Mr. ROTH, Mr. INOUYE, Mr. LOTT, Mr. CRAIG, Mrs. HUTCHISON, Mr. THURMOND, Mr. REID, Mr. INHOFE, Mr. ROBB, Mr. MCCONNELL, and Mr. WARNER) proposed an amendment to the bill (S. 1745) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

At the end of title VII, add the following:

SEC. 708. PLANS FOR MEDICARE SUBVENTION DEMONSTRATION PROGRAMS.

(A) PROGRAM FOR ENROLLMENT IN TRICARE MANAGED CARE OPTION.—(1) Not later than September 6, 1996, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report that sets forth a specific plan and the Secretaries' recommendations regarding the establishment of a demonstration program under which—

(A) military retirees who are eligible for medicare are permitted to enroll in the managed care option of the Tricare program; and

(B) the Secretary of Health and Human Services reimburses the Secretary of Defense from the medicare program on a capitated basis for the costs of providing health care services to military retirees who enroll.

(2) The report shall include the following:

(A) The number of military retirees projected to participate in the demonstration program and the minimum number of such participants necessary to conduct the demonstration program effectively.

(B) A plan for notifying military retirees of their eligibility for enrollment in the demonstration program and for any other matters connected with enrollment.

(C) A recommendation for the duration of the demonstration program.

(D) A recommendation for the geographic regions in which the demonstration program should be conducted.

(E) The appropriate level of capitated reimbursement, and a schedule for such reimbursement, from the medicare program to the Department of Defense for health care services provided enrollees in the demonstration program.

(F) An estimate of the amounts to be allocated by the Department for the provision of health care services to military retirees eligible for medicare in the regions in which the demonstration program is proposed to be conducted in the absence of the program and an assessment of revisions to such allocation that would result from the conduct of the program.

(G) An estimate of the cost to the Department and to the medicare program of providing health care services to medicare eligible military retirees who enroll in the demonstration program.

(H) An assessment of the likelihood of cost shifting among the Department and the medicare program under the demonstration program.

(I) A proposal for mechanisms for reconciling and reimbursing any improper payments among the Department and the medicare program under the demonstration program.

(J) A methodology for evaluating the demonstration program, including cost analyses.

(K) An assessment of the extent to which the Tricare program is prepared to meet requirements of the medicare program for purposes of the demonstration program and the provisions of law or regulation that would have to be waived in order to facilitate the carrying out of the demonstration program.

(L) An assessment of the impact of the demonstration program on military readiness.

(M) Contingency plans for the provision of health care services under the demonstration program in the event of the mobilization of health care personnel.

(N) A recommendation of the reports that the Department and the Department of Health and Human Services should submit to Congress describing the conduct of the demonstration program.

(b) FEASABILITY STUDY FOR PROGRAM FOR ENROLLMENT IN TRICARE FEE-FOR-FEE-SERVICE OPTION.—Not later than January 3, 1997, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report on the feasibility and advisability of expanding the demonstration program referred to in subsection (a) so as to provide the Department with reimbursement from the medicare program on a fee-for-service basis for health care services provided medicare-eligible military retirees who enroll in the demonstration program. The report shall include a proposal for the expansion of the program if the expansion is determined to be advisable.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated in section 301, $75,000,000 shall be made available to carry out the demonstration program referred to in subsection (a) if Congress authorizes the program by the end of the Second Session of the 104th Congress.

THE SENATE CAMPAIGN FINANCE REFORM ACT OF 1996

GREGG AMENDMENT NO. 4084

(Ordered referred to the Committee on Rules and Administration.)

Mr. GREGG submitted an amendment intended to be proposed by him to the bill (S. 1219) to reform the financing of Federal elections, and for other purposes; as follows:

At the appropriate place, insert:

SEC. . WRITTEN CONSENT REQUIRED TO USE UNION DUES AND OTHER MANDATORY EMPLOYEE FEES FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—Section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by adding at the end the following new paragraph:

''(8)(A) No dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment shall be collected from an individual for use in activities described in subparagraph (A), (B), or (C) of paragraph (2) unless

the individual has given prior written consent for such use.

''(B) Any consent granted by an individual under subparagraph (A) shall remain in effect until revoked and may be revoked in writing at any time.

''(C) This paragraph shall apply to activities described in paragraph (2)(A) only if the communications involved expressly advocate the election or defeat of any clearly identified candidate for elective public office.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts collected more than 30 days after the date of the enactment of this Act.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

CRAIG (AND OTHERS) AMENDMENT NO 4085

Mr. CRAIG (for himself, Mr. KEMPTHORNE, Mr. DOMENICI, Mr. BINGAMAN, Mr. MURKOWSKI, and Mr. JOHNSTON) proposed an amendment to the bill, S. 1745, supra; as follows:

On page 446, after line 12, insert the following subtitle:

Subtitle E.—Waste Isolation Pilot Plant Land Withdrawal Act Amendments.''

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the ''Waste Isolation Pilot Plant Land Withdrawal Amendment Act''.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Waste Isolation Pilot Plant Land Withdrawal Act (Public Law 102–579).

SEC. 2. DEFINITIONS.

Paragraphs (18) and (19) of section 2 are repealed.

SEC. 3. TEST PHASE AND RETRIEVAL PLANS.

Section 5 and the item relating to such section in the table of contents are repealed.

SEC. 4. MANAGEMENT PLAN.

Section 4(b)(5)(B) is amended by striking ''or with the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.)''.

SEC. 5. TEST PHASE ACTIVITIES.

Section 6 is amended—

(1) by repealing subsections (a) and (b),

(2) by repealing paragraph (1) of subsection (c),

(3) by redesignating subsection (c) as subsection (a) and in that subsection—

(A) by repealing subparagraph (A) of paragraph (2),

(B) by striking the subsection heading and the matter immediately following the subsection heading and inserting ''STUDY.—The following study shall be conducted:'',

(C) by striking ''(2) REMOTE-HANDLED WASTE.—'',

(D) by striking ''(B) STUDY.—'',

(E) by redesignating clauses (i), (ii), and (iii) as paragraphs (1), (2), and (3), respectively, and

(F) by realigning the margins of such clauses to be margins of paragraphs,

(5) in subsection (d), by striking '', during the test phase, a biennial'' and inserting ''a'' and by striking '', consisting of a documented analysis of'' and inserting ''as necessary to demonstrate'', and

(6) by redesignating subsection (d) as subsection (b).

SEC. 6. DISPOSAL OPERATIONS.

Section 7(b) is amended to read as follows:

''(b) REQUIREMENTS FOR COMMENCEMENT OF DISPOSAL OPERATIONS.—The Secretary may commence emplacement of transuranic waste underground for disposal at WIPP only upon completion of—

''(1) the Administrator's certification under section 8(d)(1) that the WIPP facility will comply with the final disposal regulations;

''(2) the acquisition by the Secretary (whether by purchase, condemnation, or otherwise) of Federal Oil and Gas Leases No. NMNM 02953 and No. NMNM 02953C, unless the Administrator determines, under section 4(b)(5), that such acquisition is not required; and,

''(3) the expiration of the 30-day period beginning on the date on which the Secretary notifies Congress that the requirements of section 9(a)(1) have been met.''.

SEC. 7. ENVIRONMENTAL PROTECTION AGENCY DISPOSAL REGULATIONS.

(a) SECTION 8(d)(1).—Section 8(d)(1) is amended—

(1) by amended subparagraph (A) to read as follows:

''(A) APPLICATION FOR COMPLIANCE.—Within 30 days after the date of the enactment of the Waste Isolation Pilot Plant Land Withdrawal Amendment Act, the Secretary shall provide to Congress a schedule for the incremental submission of chapters of the application to the Administrator beginning no later than 30 days after such date. The Administrator shall review the submitted chapters and provide requests for additional information from the Secretary as needed for completeness within 45 days of the receipt of each chapter. The Administrator shall notify Congress of such requests. The schedule shall call for the Secretary to submit all chapters to the Administrator no later than October 31, 1996. The Administrator may at any time request additional information from the Secretary as needed to certify, pursuant to subparagraph (B), whether the WIPP facility will comply with the final disposal regulations.''; and

(2) in subparagraph (D), by striking ''after the application is'' and inserting ''after the full application has been''.

(b) SECTION 8(d)(2), (3).—Section 8(d) is amended by striking paragraphs (2) and (3), by striking ''(1) COMPLIANCE WITH DISPOSAL REGULATIONS.—'', and by redesignating subparagraphs (A), (B), (C), and (D) of paragraph (1) as paragraph (1), (2), (3), and (4), respectively.

(c) SECTION 8(g).—Section 8(g) is amended to read as follows:

''(G) ENGINEERED AND NATURAL BARRIERS, ETC.—The Secretary shall use both engineered and natural barriers and any other measures (including waste form modifications) to the extent necessary at WIPP to comply with the final disposal regulations.''.

SEC. 8. COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS.

(a) SECTION 9(a)(1).—Section 9(a)(1) is amended by adding after and below subparagraph (H) the following: ''With respect to transuranic mixed waste designated by the Secretary for disposal at WIPP, such waste is exempt from treatment standards promulgated pursuant to section 3004(m) of the Solid Waste Disposal Act (42 U.S.C. Sec. 6924(m)) and shall not be subject to the land disposal prohibitions in section 3004(d), (e), (f), and (g) of the Solid Waste Disposal Act.''.

(b) SECTION 9(b).—Subsection (b) of section 9 is repealed.

(c) SECTION 9(c)(2).—Subsection (c)(2) of section 9 is repealed.

(d) SECTION 14.—Section 14 is amended—

(1) in subsection (a), by striking ''No provision'' and inserting ''Except for the exemption from the land disposal restrictions described in section 9(a)(1), no provision''; and

(2) in subsection (b)(2), by striking ''including all terms and conditions of the No-Migration Determination'' and inserting ''except that the transuranic mixed waste designated by the Secretary for disposal at WIPP is exempt from the land disposal restrictions described in section 9(a)(1)''.

SEC. 9. RETRIEVABILITY.

(a) SECTION 10.—Section 10 is amended to read as follows:

''SEC. 10. TRANSURANIC WASTE.

''It is the intent of Congress that the Secretary will complete all actions required under section 7(b) to commence emplacement of transuranic waste underground for disposal at WIPP no later than November 30, 1997.''.

(b) CONFORMING AMENDMENT.—The item relating to section 10 in the table of contents is amended to read as follows:

''Sec. 10. Transuranic waste.''.

SEC. 10. DECOMMISSIONING OF WIPP

Section 13 is amended—

(1) by repealing subsection (a), and

(2) in subsection (b), by striking ''(b) MANAGEMENT PLAN FOR THE WITHDRAWAL AFTER DECOMMISSIONING.—Within 5 years after the date of the enactment of this Act, the'' and inserting ''The''.

SEC. 11. ECONOMIC ASSISTANCE AND MISCELLANEOUS PAYMENTS.

(a) Section 15(a) is amended by adding at the end the following: ''An appropriation to the State shall be in addition to any appropriation for WIPP.''.

(b) $20,000,000 is authorized to be appropriated in fiscal year 1997 to the Secretary for payment to the State of New Mexico for road improvements in connection with the WIPP.

HATFIELD (AND WYDEN) AMENDMENT NO. 4086

(Ordered to lie on the table.)

Mr. HATFIELD (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by them to the bill, S. 1745, supra; as follows:

At the end of subtitle D of title XXXI, add the following:

SEC. 3161. PARTICIPATION OF STATE OF OREGON IN REMEDIAL ACTIONS AT HANFORD RESERVATION, WASHINGTON.

(a) PARTICIPATION.—For purposes of remedial actions at the Hanford Reservation, Washington, under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), the State of Oregon shall also be treated as the State in which Hanford Reservation is located under subparagraphs (D), (E), (G), and (H) of section 121(f)(1) of that Act (42 U.S.C. 9621(f)(1)).

(b) MEMORANDUM OF UNDERSTANDING.—The State of Oregon may enter into a memorandum of understanding with the State of Washington, the Site Manager of the Hanford Reservation, and the Administrator of the Environmental Protection Agency in order to address issues of mutual concern to such States regarding the Hanford Reservation. The entry into such a memorandum shall not delay the implementation of section 121 of that Act with respect to the Hanford Reservation.

HATFIELD AMENDMENTS NOS. 4087–4088

(Ordered to lie on the table.)

Mr. HATFIELD submitted two amendments intended to be proposed by him to the bill, S. 1745, supra; as follows:

AMENDMENT NO. 4087

At the end of subtitle D of title X add the following:

SEC. 1044. DEMOCRACY STABILIZATION FINANCIAL ASSISTANCE PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a program to support the strengthening of constitutional democracy in established and emerging democracies throughout the world through the awarding of grants for support of programs for the promotion of education in civics and government in the democratic tradition.

(b) PROGRAMS SUPPORTED.—The Secretary may award a grant to an organization for support of a 5-year program conducted by that organization that promotes cooperation in civics and government education by educational leaders, teacher trainers, scholars in disciplines related to civics and government, educational policy-makers, private citizens, business leaders, and government officials who are of established and emerging democracies and are dedicated to democracy.

(e) MAXIMUM NUMBER OF GRANTS.—The Secretary may award up to four grants under the program.

(d) ELIGIBLE GRANT RECIPIENTS.—To be eligible for award of a grant under this section an organization shall be experienced in the following:

(1) The development and implementation of civics and government education curricula for students in kindergarten through twelfth grade throughout the United States, whether the experience is gained through work with local educational agencies, State educational agencies, or private educational institutions.

(2) The development and implementation of cooperative university-based, college-based, or other school-based in-service training programs for civics and government teachers at the kindergarten through twelfth grade levels.

(3) The administration of international exchange programs for the study of civics and government which involve exchanges of educational leaders, teacher trainers, scholars in disciplines related to civics and government, educational policymakers, private citizens, business leaders, and government officials among established and emerging democracies.

(e) GRANT AGREEMENT.—The Secretary and the recipient of a grant shall enter into an agreement that sets forth such terms and conditions for the use of the grant funds as the Secretary of Defense may prescribe.

(f) USIA INVOLVEMENT.—(1) The Secretary of Defense shall—

(A) obtain the concurrence of the Director of the United States Information Agency in the design of the program under this section; and

(B) consult with the Director in the awarding of grants to particular recipients, including the making of determinations of eligibility and the specification of terms and conditions of grant agreements under subsection (e).

(2) The Director of the United States Information Agency shall have particular responsibility for ensuring that—

(A) programs assisted under this section are not duplicative of other efforts; and

(B) any foreign institutions involved in such programs are creditable.

(g) OVERSIGHT COMMITTEE.—(1) The Secretary of Defense and the Director of the United States Information Agency shall jointly establish a committee for oversight of the grant program under this section. The committee shall be composed of an equal number of representatives of each such official.

(2) The oversight committee shall prescribe the following:

(A) The specifications for solicitations of grant proposals.

(B) The eligibility criteria (consistent with subsection (d)).

(C) The process for reviewing grant proposals, including the criteria for selection of proposals for grant award.

AMENDMENT NO. 4088

At the end of subtitle F of title 10 add the following:

SEC. 1072. NATIONAL WAR AND PEACE COLLEGE.

(a) DESIGNATION OF NATIONAL WAR AND PEACE COLLEGE.—The National War College (located as of the date of the enactment of this Act at Fort McNair, District of Columbia) is redesignated as the ''National War and Peace College''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the National War College shall be deemed to be a reference to the National War and Peace College.

KEMPTHORNE AMENDMENT NO. 4089

Mr. KEMPTHORNE proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle D of title V add the following:

SEC. 540. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO SPECIFIED PERSONS.

(a) WAIVER OF TIME LIMITATION.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply in the case of awards of decorations as described in subsection (b), the award of each decoration having been determined by the Secretary of the Navy to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II as follows:

(1) FIRST AWARD.—First award, for completion of at least 20 qualifying combat missions, to the following members and former members of the Armed Forces:

Vernard V. Aiken of Wilmington, Vermont.
Ira V. Babcock of Dothan, Georgia.
George S. Barlow of Grafton, Virginia.
Earl A. Bratton of Bodega Bay, California.
Herman C. Edwards of Johns Island, South Carolina.
James M. Fitzgerald of Anchorage, Alaska.
Paul L. Hitchcock of Raleigh, North Carolina.
Harold H. Hottle of Hillsboro, Ohio.
Samuel M. Keith of Anderson, South Carolina.
Otis Lancaster of Wyoming, Michigan.
John B. McCabe of Biglerville, Pennsylvania.
James P. Merriman of Midland, Texas.
The late Michael L. Michalak, formerly of Akron, New York.
The late Edward J. Naparkowsky, formerly of Hartford, Connecticut.
A. Jerome Pfeiffer of Racine, Wisconsin.
Duane L. Rhodes of Earp, California.
Frank V. Roach of Bloomfield, New Jersey.
Arnold V. Rosekrans of Horseheads, New York.
Joseph E. Seaman, Jr. of Bordentown, New Jersey.
Luther E. Thomas of Panama City, Florida.
Merton S. Ward of South Hamilton, Massachusetts.
Simon L. Webb of Magnolia, Mississippi.
Jerry W. Webster of Leander, Texas.
Stanley J. Orlowski of Jackson, Michigan.

(2) SECOND AWARD.—Second award, for completion of at least 40 qualifying combat missions, to the following members and former members of the Armed Forces:

Ralph J. Deceuster of Dover, Ohio.
Elbert J. Kimble of San Francisco, California.
George W. Knauff of Monument, Colorado.
John W. Lincoln of Rockland, Massachusetts.
Alan D. Marker of Sonoma, California.
Joseph J. Oliver of White Haven, Pennsylvania.
Arthur C. Adair of Grants Pass, Oregon.
Daniel K. Connors of Hampton, New Hampshire.
Glen E. Danielson of Whittier, California.
Prescott C. Jernegan of Hemet, California.
Stephen K. Johnson of Englewood, Florida.
Warren E. Johnson of Vista, California.
Albert P. Emsley of Bothell, Washington.
Robert B. Carnes of West Yarmouth, Massachusetts.
Urbain J. Fournier of Houma, Louisiana.
John B. Tagliapiri of St. Helena, California.
Ray B. Stiltner of Centralia, Washington.

(3) THIRD AWARD.—Third award, for completion of at least 60 qualifying combat missions, to the following members and former members of the Armed Forces:

Glenn Bowers of Dillsburg, Pennsylvania.
Arthur C. Casey of Irving, California.
Robert J. Larsen of Gulf Breeze, Florida.
William A. Nickerson of Portland, Oregon.
David Mendoza of McAllen, Texas.

(4) FOURTH AWARD.—Fourth award, for completion of at least 80 qualifying combat missions, to the following members and former members of the Armed Forces:

Arvid L. Kretz of Santa Rosa, California.
George E. McClane of Cocoa Beach, Florida.
Robert Bair of Ontario, California.

(5) FIFTH AWARD.—Fifth award, for completion of at least 100 qualifying combat missions, to the following members and former members of the Armed Forces:

William A. Baldwin of San Clemente, California.
George Bobb of Blackwood, New Jersey.
John R. Conrad of Hot Springs, Arkansas.
Herbert R. Hetrick of Roaring Springs, Pennsylvania.
William L. Wells of Cordele, Georgia.

(6) SIXTH AWARD.—Sixth award, for completion of at least 120 qualifying combat missions, to Richard L. Murray of Dallas, Texas.

WARNER (AND HUTCHISON) AMENDMENT NO. 4090

Mr. WARNER (for himself and Mrs. HUTCHISON) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of the amendment, add the following new section:

SEC. . MILITARY PERSONNEL STALKING PUNISHMENT AND PREVENTION ACT OF 1996.

(a) SHORT TITLE.—This section may be cited as the ''Military Personnel Stalking Punishment and Prevention Act of 1996''.

(b) IN GENERAL.—Title 18, United States Code, is amended by inserting after section 2261 the following:

''§ 2261A. Stalking of members of the Armed Forces of the United States

''(a) IN GENERAL.—Whoever, within the special maritime and territorial jurisdiction of the United States or in the course of interstate travel, with the intent to injure or harass any military person, places that military person in reasonable fear of the death of, or serious bodily injury to, that military person or a member of the immediate family of that

military person shall be punished as provided in section 2261.

''(b) DEFINITIONS.—For purposes of this section—

''(1) the term 'immediate family' has the same meaning as in section 115; and

''(2) the term 'military person' means—

''(A) any member of the Armed Forces of the United States (including a member of any reserve component); and

''(B) any member of the immediate family of a person described in subparagraph (A).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 2261(b) of title 18, United States Code, is amended by inserting ''or section 2261A'' after ''this section''.

(2) Sections 2261(b) and 2262(b) of title 18, United States Code, are each amended by striking ''offender's spouse or intimate partner'' each place it appears and inserting ''victim''.

(3) The chapter heading for chapter 110A of title 18, United States Code, is amended by inserting ''**AND STALKING**'' after ''**VIOLENCE**''.

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of title 18, United States Code, is amended by inserting after the item relating to section 2261 the following new item:

''2261A. Stalking of members of the Armed Forces of the United States.''.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the day after the date of enactment of this Act.

FAIRCLOTH AMENDMENT NO. 4091

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the bill, S. 1745, supra; as follows:

At the end of subtitle B of title II add the following:

SEC. 223. SOUTHERN OBSERVATORY FOR ASTROPHYSICAL RESEARCH PROJECT.

Of the total amount authorized to be appropriated under section 201(4), $3,000,000 is available for the Southern Observatory for Astrophysical Research (SOAR) project of the Defense Advanced Research Projects Agency.

THE SENATE CAMPAIGN FINANCE REFORM ACT OF 1996

McCAIN (AND OTHERS) AMENDMENT NO. 4092

Mr. LOTT (for Mr. McCAIN for hmself, Mr. FEINGOLD, and Mr. THOMPSON) proposed an amendment to the bill, S. 1219, supra; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Senate Campaign Finance Reform Act of 1996''.

SEC. 2. AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) AMENDMENT OF FECA.—When used in this Act, the term ''FECA'' means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Amendment of campaign Act; table of contents.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.
Sec. 102. Free broadcast time.
Sec. 103. Broadcast rates and preemption.
Sec. 104. Reduced postage rates.
Sec. 105. Contribution limit for eligible Senate candidates.
Sec. 106. Reporting requirement for eligible Senate candidates.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Elimination of Political Action Committees From Federal Election Activities

Sec. 201. Ban on activities of political action committees in Federal elections.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Sec. 211. Soft money of political parties.
Sec. 212. State party grassroots funds.
Sec. 213. Reporting requirements.

Subtitle C—Soft Money of Persons Other Than Political Parties

Sec. 221. Soft money of persons other than political parties.

Subtitle D—Contributions

Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Independent Expenditures

Sec. 241. Clarification of definitions relating to independent expenditures.
Sec. 242. Reporting requirements for certain independent expenditures.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Restrictions on use of campaign funds for personal purposes.
Sec. 302. Campaign advertising amendments.
Sec. 303. Filing of reports using computers and facsimile machines.
Sec. 304. Audits.
Sec. 305. Limit on congressional use of the franking privilege.
Sec. 306. Authority to seek injunction.
Sec. 307. Reporting requirements for contributions of $50 or more.

TITLE IV—CONSTITUTIONALITY AND EFFECTIVE DATE

Sec. 401. Severability.
Sec. 402. Expedited review of constitutional issues.
Sec. 403. Effective date.
Sec. 404. Regulations.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end the following new title:

''TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

''SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the primary and general election filing requirements of subsections (c) and (d);

''(2) meets the primary and runoff election expenditure limits of subsection (b);

''(3) meets the threshold contribution requirements of subsection (e);

''(4) does not exceed the limitation on expenditures from personal funds under section 502(a); and

''(5) meets the in-State contribution requirements of subsection (f).

''(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—

''(1) IN GENERAL.—The requirements of this subsection are met if—

''(A) the candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

''(i) 67 percent of the general election expenditure limit under section 502(b); or

''(ii) $2,750,000; and

''(B) the candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

''(2) INDEXING.—The $2,750,000 amount under paragraph (1)(A)(ii) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1995.

''(c) PRIMARY FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Commission a certification that—

''(A) the candidate and the candidate's authorized committees—

''(i) will meet the primary and runoff election expenditure limits of subsection (b); and

''(ii) will accept only an amount of contributions for the primary and runoff elections that does exceed those limits;

''(B) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

''(C) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b).

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

''(d) GENERAL ELECTION FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Commission under penalty of perjury that—

''(A) the candidate and the candidate's authorized committees—

''(i) met the primary and runoff election expenditure limits under subsection (b);

''(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to the current election cycle from a preceding election cycle; and

''(iii) did not accept contributions for the primary or runoff election that caused the candidate to exceed the limitation on contributions from out-of-State residents under subsection (f);

''(B) at least one other candidate has qualified for the same general election ballot under the law of the candidate's State;

''(C) the candidate and the authorized committees of the candidate—

''(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(b);

''(ii) will not accept any contributions in violation of section 315; and

''(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that the contribution—

''(I) would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b), reduced by any amounts transferred to the current election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii); or

''(II) would cause the candidate to exceed the limitation on contributions from out-of-State residents under subsection (f); and

''(D) the candidate intends to make use of the benefits provided under section 503.

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

''(A) the date on which the candidate qualifies for the general election ballot under State law; or

''(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

''(A) 10 percent of the general election expenditure limit under section 502(b); or

''(B) $250,000.

''(2) DEFINITIONS.—In this subsection:

''(A) ALLOWABLE CONTRIBUTION.—The term 'allowable contribution'—

''(i) means a contribution that is made as a gift of money by an individual pursuant to a written instrument identifying the individual as the contributor; but

''(ii) does not include a contribution from an individual residing outside the candidate's State to the extent that acceptance of the contribution would bring a candidate out of compliance with subsection (f).

''(B) APPLICABLE PERIOD.—The term 'applicable period' means—

''(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification under subsection (c)(2) is filed by the candidate; or

''(ii) in the case of a special election for the office of Senator, the period beginning on the date on which the vacancy in the office occurs and ending on the date of the general election.

''(f) LIMITATION ON OUT-OF-STATE CONTRIBUTIONS.—

''(1) REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this subsection are met if at least 60 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees are from individuals who are legal residents of the candidate's State.

''(B) SPECIAL RULE FOR SMALL STATES.—In the case of a candidate to which the general election expenditure limit under section 502(b)(1)(B)(i) applies, the requirements of this subsection are met if, at the option of the candidate—

''(i) at least 60 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees are from individuals who are legal residents of the candidate's State; or

''(ii) at least 60 percent of the number of individuals whose names are reported to the Commission as individuals from whom the candidate and the candidate's authorized committees accept contributions are legal residents of the candidate's State.

''(2) PERSONAL FUNDS.—For purposes of paragraph (1), amounts consisting of funds from sources described in section 502(a) shall be treated as contributions from individuals residing outside the candidate's State.

''(3) TIME FOR DETERMINATION.—A determination whether the requirements of paragraph (1) are met shall be made each time a candidate is required to file a report under section 304 and shall be made on an aggregate basis.

''(4) REPORTING REQUIREMENTS.—In addition to information required to be reported under section 304, a candidate that elects to comply with the requirements of paragraph (1)(B)(ii) shall include in each report required to be filed under section 304 the name and address of each individual that, during the calendar year in which the reporting period occurs, makes contributions aggregating $20 or more.

"SEC. 502. LIMITATION ON EXPENDITURES.

''(a) LIMITATION ON USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made during an election cycle by an eligible Senate candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

''(A) 10 percent of the general election expenditure limit under subsection (b); or

''(B) $250,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) personal loans incurred by the candidate and members of the candidate's immediate family.

''(3) AMENDED DECLARATION.—A candidate who—

''(A) declares, pursuant to this title, that the candidate does not intend to expend funds described in paragraph (2) in excess of the amount applicable to the candidate under paragraph (1); and

''(B) subsequently changes the declaration or expends such funds in excess of that amount,

shall file an amended declaration with the Commission and notify all other candidates for the same office not later than 24 hours after changing the declaration or exceeding the limits, whichever occurs first, by sending a notice by certified mail, return receipt requested.

''(b) GENERAL ELECTION EXPENDITURE LIMIT.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

''(A) $5,500,000; or

''(B) the greater of—

''(i) $950,000; or

''(ii) $400,000; plus

''(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

''(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

''(2) EXCEPTION.—In the case of an eligible Senate candidate in a State that has not more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

''(A) '80 cents' for '30 cents' in subclause (I); and

''(B) '70 cents' for '25 cents' in subclause (II).

''(3) INDEXING.—The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(b)(2).

''(c) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''(d) EXCEPTIONS FOR COMPLYING CANDIDATES RUNNING AGAINST NONCOMPLYING CANDIDATES.—

''(1) EXCESSIVE CONTRIBUTIONS TO, OR PERSONAL EXPENDITURES BY, OPPOSING CANDIDATE.—

''(A) 10 PERCENT EXCESS.—

''(i) IN GENERAL.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(I) has received contributions; or

''(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 110 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 20 percent.

''(ii) FUNDRAISING IN ANTICIPATION OF INCREASE.—Notwithstanding any other provision of this title, if any opponent of an eligible Senate candidate is a noneligible candidate who—

''(I) has received contributions; or

''(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 50 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the eligible Senate candidate may accept contributions in excess of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) so long as the eligible Senate candidate does not make any expenditures with such excess contributions before becoming entitled to an increase in the limit under clause (i).

''(B) 50 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(I) has received contributions; or

''(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 150 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 50 percent.

''(C) 100 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

''(I) has received contributions; or

''(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 200 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate core //idate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 100 percent.

''(2) REVOCATION OF ELIGIBILITY OF OPPONENT.—If the status of eligible Senate candidate of any opponent of an eligible Senate candidate is revoked under section 505(a), the general election expenditure limit applicable to the eligible Senate candidate shall be increased by 20 percent.

''(e) EXPENDITURES IN RESPONSE TO INDEPENDENT EXPENDITURES.—If an eligible Senate candidate is notified by the Commission under section 304(c)(4) that independent expenditures totaling $10,000 or more have been

made in the same election in favor of another candidate or against the eligible candidate, the eligible candidate shall be permitted to spend an amount equal to the amount of the independent expenditures, and any such expenditures shall not be subject to any limit applicable under this title to the eligible candidate for the election.

"SEC. 503. BENEFITS THAT ELIGIBLE CANDIDATES ARE ENTITLED TO RECEIVE.

''An eligible Senate candidate shall be entitled to receive—

''(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

''(2) the free broadcast time provided under section 315(c) of the Communications Act of 1934; and

''(3) the reduced postage rates provided in section 3626(e) of title 39, United States Code.

"SEC. 504. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 48 hours after an eligible candidate qualifies for a general election ballot, the Commission shall certify the candidate's eligibility for free broadcast time under section 315(c) of the Communications Act of 1934. The Commission shall revoke the certification if the Commission determines that a candidate fails to continue to meet the requirements of this title.

''(b) DETERMINATIONS BY COMMISSION.—A determination (including a certification under subsection (a)) made by the Commission under this title shall be final, except to the extent that the determination is subject to examination and audit by the Commission under section 505.

"SEC. 505. REVOCATION; MISUSE OF BENEFITS.

''(a) REVOCATION OF STATUS.—

''(1) IN GENERAL.—If the Commission determines that any eligible Senate candidate—

''(A) has received contributions in excess of 110 percent of—

''(i) the applicable primary election limit under this title;

''(ii) the applicable general election limit under this title; or

''(iii) the limitation on contributions from out-of-State residents under section 501(f); or

''(B) has expended personal funds in excess of 110 percent of the limit under section 502(a),

the Commission shall revoke the certification of the candidate as an eligible Senate candidate and notify the candidate of the revocation.

''(2) PAYMENT OF VALUE OF BENEFITS.—On receipt of notification of revocation of eligibility under paragraph (1), a candidate—

''(A) shall pay an amount equal to the value of the benefits received under this title; and

''(B) shall be ineligible for benefits available under section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) for the duration of the election cycle.

''(b) MISUSE OF BENEFITS.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title or that a candidate has violated any of the spending limits contained in this Act, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the value of the benefit.''.

(b) TRANSITION PERIOD.—Expenditures made before January 1, 1997, shall not be counted as expenditures for purposes of the limitations contained in the amendment made by subsection (a).

SEC. 102. FREE BROADCAST TIME.

(a) IN GENERAL.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in the third sentence of subsection (a) by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection and subsection (c)'';

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(3) by inserting after subsection (b) the following:

''(c) FREE BROADCAST TIME.—

''(1) IN GENERAL.—Except as provided in paragraph (3), each eligible Senate candidate who has qualified for the general election ballot as a candidate of a major or minor party shall be entitled to receive a total of 30 minutes of free broadcast time from broadcasting stations within the candidate's State or an adjacent State.

''(2) TIME.—

''(A) PRIME TIME.—Unless a candidate elects otherwise, the broadcast time made available under this subsection shall be between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday.

''(B) LENGTH OF BROADCAST.—Except as otherwise provided in this Act, a candidate may use such time as the candidate elects, but time may not be used in lengths of less than 30 seconds or more than 5 minutes.

''(C) MAXIMUM REQUIRED OF ANY ONE STATION.—A candidate may not request that more than 15 minutes of free broadcast time be aired by any one broadcasting station.

''(3) MORE THAN 2 CANDIDATES.—In the case of an election among more than 2 candidates described in paragraph (1), only 60 minutes of broadcast time shall be available for all such candidates, and broadcast time shall be allocated as follows:

''(A) MINOR PARTY CANDIDATES.—The amount of broadcast time that shall be provided to the candidate of a minor party shall be equal to 60 minutes multiplied by the percentage of the number of popular votes received by the candidate of that party in the preceding general election for the Senate in the State (or if subsection (e)(4)(B) applies, the percentage determined under that subsection).

''(B) MAJOR PARTY CANDIDATES.—The amount of broadcast time remaining after assignment of broadcast time to minor party candidates under clause (i) shall be allocated equally between the major party candidates.

''(4) ONLY 1 CANDIDATE.—In the case of an election in which only 1 candidate qualifies to be on the general election ballot, no time shall be required to be provided by a broadcasting station under this subsection.

''(5) EXEMPTION.—The Federal Election Commission shall by regulation exempt from the requirements of this subsection—

''(A) a licensee the signal of which is broadcast substantially nationwide; and

''(B) a licensee that establishes that the requirements of this subsection would impose a significant economic hardship on the licensee.''; and

(4) in subsection (d) (as redesignated by paragraph (2))—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

''(3) the term 'major party' means, with respect to an election for the United States Senate in a State, a political party whose candidate for the United States Senate in the preceding general election for the Senate in that State received, as a candidate of that party, 25 percent or more of the number of popular votes received by all candidates for the Senate;

''(4) the term 'minor party' means, with respect to an election for the United States Senate in a State, a political party—

''(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the number of popular votes received by all candidates for the Senate; or

''(B) whose candidate for the United States Senate in the current general election for the Senate in that State has obtained the signatures of at least 5 percent of the State's registered voters, as determined by the chief voter registration official of the State, in support of a petition for an allocation of free broadcast time under this subsection; and

''(5) the term 'Senate election cycle' means, with respect to an election to a seat in the United States Senate, the 6-year period ending on the date of the general election for that seat.''.

(b) JURISDICTION OVER CHALLENGES TO BROADCAST MEDIA RATES AND FREE BROADCAST TIME.—

(1) IN GENERAL.—The United States Court of Federal Claims shall have exclusive jurisdiction over any action challenging the constitutionality of the broadcast media rates and free broadcast time required to be offered to political candidates under section 503 of the Federal Election Campaign Act of 1971 and section 315 of the Communications Act of 1934.

(2) REMEDY.—Money damages shall be the sole and exclusive remedy in an action under paragraph (1), and only an individual or entity that suffers actual financial injury shall have standing to maintain such an action.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997.

SEC. 103. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The charges'' and inserting the following:

''(b) BROADCAST MEDIA RATES.—

''(1) IN GENERAL.—The charges'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in paragraph (1)(A) (as redesignated by paragraph (2))—

(A) by striking ''forty-five'' and inserting ''30''; and

(B) by striking ''lowest unit charge of the station for the same class and amount of time for the same period'' and inserting ''lowest charge of the station for the same amount of time for the same period on the same date''; and

(4) by adding at the end the following:

''(2) ELIGIBLE SENATE CANDIDATES.—In the case of an eligible Senate candidate (within the meaning of section 501(a) of the Federal Election Campaign Act), the charges for the use of a television broadcasting station during the 30-day period and 60-day period referred to in paragraph (1)(A) shall not exceed 50 percent of the lowest charge described in paragraph (1)(A).''.

(b) PREEMPTION; ACCESS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by section 102(a), is amended—

(1) by redesignating subsections (d) and (e) (as redesignated by section 102(a)(2)), as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

''(d) PREEMPTION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcasting station by an eligible Senate candidate who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the

broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''the candidacy of the candidate, under the same terms, conditions, and business practices as apply to the most favored advertiser of the licensee''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997.

SEC. 104. REDUCED POSTAGE RATES.

(a) IN GENERAL.—Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking ''and the National'' and inserting ''the National''; and

(ii) by inserting before the semicolon the following: '', and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;'';

(B) in subparagraph (B), by striking ''and'' after the semicolon;

(C) in subparagraph (C), by striking the period and inserting a semicolon; and

(D) by adding at the end the following:

''(D) the term 'principal campaign committee' has the meaning stated in section 301 of the Federal Election Campaign Act of 1971; and

''(E) the term 'eligible Senate candidate' means an eligible Senate candidate (within the meaning of section 501(a) of the Federal Election Campaign Act of 1971).''; and

(2) by adding after paragraph (2) the following:

''(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to that number of pieces of mail that is equal to 2 times the number of individuals in the voting age population (as certified under section 315(e) of the Federal Election Campaign Act of 1971) of the State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997..

SEC. 105. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE CANDIDATES.

Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A) by inserting ''except as provided in subparagraph (B),'' before ''to'';

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(3) by inserting after subparagraph (A) the following:

''(B) if the general election expenditure, primary election expenditure limit, or runoff election expenditure limit applicable to an eligible Senate candidate has been increased under section 502(d), to the eligible Senate candidate and the authorized political committees of the candidate with respect to any election for the office of United States Senator, which, in the aggregate, exceed $2,000;''.

SEC. 106. REPORTING REQUIREMENT FOR ELIGIBLE SENATE CANDIDATES.

Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by striking ''and'' at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting ''; and'', and by adding at the end the following new subparagraph:

''(L) in the case of an eligible Senate candidate, the total amount of contributions from individuals who are residents of the State in which the candidate seeks office.''.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Elimination of Political Action Committees From Federal Election Activities

SEC. 201. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following:

''SEC. 324. BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES.

''Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make a contribution to a candidate or candidate's authorized committee.''.

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended to read as follows:

''(4) The term 'political committee' means—

''(A) the principal campaign committee of a candidate;

''(B) any national, State, or district committee of a political party, including any subordinate committee thereof;

''(C) any local committee of a political party that—

''(i) receives contributions aggregating in excess of $5,000 during a calendar year;

''(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

''(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year; and

''(D) any committee jointly established by a principal campaign committee and any committee described in subparagraph (B) or (C) for the purpose of conducting joint fundraising activities.''.

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended—

(A) by inserting ''or'' after ''subject;'';

(B) by striking ''and their families; and'' and inserting ''and their families.''; and

(C) by striking subparagraph (C).

(c) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee that is established, financed, maintained, or controlled, directly or indirectly, by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.''.

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

''(3) No political committee that supports, or has supported, more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''.

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—(1) For purposes of FECA, during any period beginning after the effective date in which the limitation under section 324 of that Act (as added by subsection (a)) is not in effect—

(A) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(B) it shall be unlawful for a multicandidate political committee, intermediary, or conduit to make a contribution to a candidate for election, or nomination for election, to Federal office (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees, intermediaries, or conduits to exceed 20 percent of the aggregate Federal election spending limits applicable to the candidate for the election cycle; and

(C) it shall be unlawful for a political committee, intermediary, or conduit to make a contribution to a candidate for election, or a nomination for an election, to Federal office (or an authorized committee of such candidate) in excess of the amount an individual is allowed to give directly to a candidate or a candidate's authorized committee.

For purposes of this paragraph, the term ''intermediary or conduit'' has the meaning stated in section 315(a)(8) of FECA.

(2) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (1)(B) shall return the amount of such excess contribution to the contributor.

Subtitle B—Provisions Relating to Soft Money of Political Parties

SEC. 211. SOFT MONEY OF POLITICAL PARTIES.

Title III of FECA (2 U.S.C. 301 et seq.) (as amended by section 201) is amended by adding at the end the following:

''SEC. 325. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTES.—A national committee of a political party (including a national congressional campaign committee of a political party, an entity that is established, financed, maintained, or controlled by the national committee, a national congressional campaign committee of a political party, and an officer or agent of any such party or entity but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) LIMITATION.—Any amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party and an agent or officer of any such committee or entity) during a calendar year in which a Federal election is held, for any activity that might affect the outcome of a Federal election, including any voter registration or get-out-the-vote activity, any generic campaign activity, and any communication that identifies a candidate (regardless of whether a candidate for State or local office is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) ACTIVITY NOT INCLUDED IN PARAGRAPH (1).—

''(A) IN GENERAL.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

''(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

''(ii) the costs of a State, district, or local political convention;

''(iii) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual's time on activity during the month that may affect the outcome of a Federal election) except that for purposes of this paragraph, the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs that name or depict only a candidate for State or local office; and

(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

''(B) FUNDRAISING.—Any amount that is expended or disbursed by a national, State, district, or local committee, by an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party, or by an agent or officer of any such committee or entity to raise funds that are used, in whole or in part, to pay the costs of an activity described in subparagraph (A) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) TAX-EXEMPT ORGANIZATIONS.—No national, State, district, or local committee of a political party shall solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986.

''(d) CANDIDATES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office may—

''(A) solicit or receive funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit or receive funds that are to be expended in connection with any election for other than a Federal election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under section 315(a) (1) and (2); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) EXCEPTION.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual's State or local campaign committee.''.

SEC. 212. STATE PARTY GRASSROOTS FUNDS.

(a) INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) (as amended by section 105) is amended—

(1) in subparagraph (C) by striking ''or'' at the end;

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

''(D) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000;

''(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $20,000; or''.

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of FECA (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which in the aggregate, exceed $15,000;

''(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $15,000; or''.

(c) OVERALL LIMIT.—

(1) IN GENERAL.—Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

''(3) OVERALL LIMIT.—

''(A) ELECTION CYCLE.—No individual shall make contributions during any election cycle that, in the aggregate, exceed $60,000.

''(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees that, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed $20,000.

''(C) NONELECTION YEARS.—For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which the contribution is made shall be treated as being made during the calendar year in which the election is held.''.

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end the following:

''(20) ELECTION CYCLE.—The term 'election cycle' means—

''(A) in the case of a candidate or the authorized committees of a candidate, the period beginning on the day after the date of the most recent general election for the specific office or seat that the candidate seeks and ending on the date of the next general election for that office or sea; and

''(B) in the case of all other persons, the period beginning on the first day following the date of the last general election and ending on the date of the next general election.''.

(d) STATE PARTY GRASSROOTS FUNDS.—

(1) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) (as amended by section 211) is amended by adding at the end the following:

''SEC. 326. STATE PARTY GRASSROOTS FUNDS.

''(a) DEFINITION.—In this section, the term 'State or local candidate committee' means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

''(b) TRANSFERS.—Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if the district or local committee—

''(1) has established a separate segregated fund for the purposes described in section 325(b)(1); and

''(2) uses the transferred funds solely for those purposes.

''(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

''(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in section 325(b)(1) that are for the benefit of that candidate shall be treated as meeting the requirements of 325(b)(1) and section 304(d) if—

''(A) the amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

''(B) the State or local candidate committee—

''(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether those requirements are met; and

''(ii) certifies that the requirements were met.

''(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

''(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee; and

''(B) the committee must be able to demonstrate that its cash on hand contains funds meeting those requirements sufficient to cover the transferred funds.

''(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from the candidate committee.''.

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) (as amended by subsection (c)(2)) is amended by adding at the end the following:

''(21) STATE PARTY GRASSROOTS FUND.—The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for the purpose of making expenditures and other disbursements described in section 325(a).''.

SEC. 213. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A political committee (not described in paragraph (1)) to which section 325(b)(1) applies shall report all receipts and disbursements.

''(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any contribution received by a national committee which is to be transferred to a State committee for use directly (or primarily to support) activities described in section 325(b)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

''(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

''(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of FECA (2 U.S.C. 431(8)) is amended by inserting at the end the following:

''(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.''.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year''; and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

Subtitle C—Soft Money of Persons Other Than Political Parties

SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 215) is amended by adding at the end the following:

''(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person other than a committee of a political party that makes aggregate disbursements totaling in excess of $10,000 for activities described in paragraph (2) shall file a statement with the Commission—

''(A) within 48 hours after the disbursements are made; or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) any activity described in section 441(b)(2)(A) that refers to any candidate for Federal office, any political party, or any Federal election; and

''(B) any activity described in section 441b(b)(2) (B) or (C).

''(3) ADDITIONAL STATEMENTS.—An additional statement shall be filed each time additional disbursements aggregating $10,000 are made by a person described in paragraph (1).

''(4) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(5) CONTENTS.—A statement under this section shall contain such information about the disbursements as the Commission shall prescribe, including—

''(A) the name and address of the person or entity to whom the disbursement was made;

''(B) the amount and purpose of the disbursement; and

''(C) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

Subtitle D—Contributions

SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended by striking paragraph (8) and inserting the following:

''(8) INTERMEDIARIES AND CONDUITS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) ACTING ON BEHALF OF THE ENTITY.—The term 'acting on behalf of the entity' means soliciting one or more contributions—

''(I) in the name of an entity;

''(II) using other than incidental resources of an entity; or

''(III) by directing a significant portion of the solicitations to other officers, employees, agents, or members of an entity or their spouses, or by soliciting a significant portion of the other officers, employees, agents, or members of an entity or their spouses.

''(ii) BUNDLER.—The term 'bundler' means an intermediary or conduit that is any of the following persons or entities:

''(I) A political committee (other than the authorized campaign committee of the candidate that receives contributions as described in subparagraph (B) or (C)).

''(II) Any officer, employee or agent of a political committee described in subclause (I).

''(III) An entity.

''(IV) Any officer, employee, or agent of an entity who is acting on behalf of the entity.

''(V) A person required to be listed as a lobbyist on a registration or other report filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) or any successor law that requires reporting on the activities of a person who is a lobbyist or foreign agent.

''(iii) DELIVER.—The term 'deliver' means to deliver contributions to a candidate by any method of delivery used or suggested by a bundler that communicates to the candidate (or to the person who receives the contributions on behalf of the candidate) that the bundler collected the contributions for the candidate, including such methods as—

''(I) personal delivery;

''(II) United States mail or similar services;

''(III) messenger service; and

''(IV) collection at an event or reception.

''(iv) ENTITY.—The term 'entity' means a corporation, labor organization, or partnership.

''(B) TREATMENT AS CONTRIBUTIONS FROM PERSONS BY WHOM MADE.—

''(i) IN GENERAL.—For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to the candidate, shall be treated as contributions from the person to the candidate.

''(ii) REPORTING.—The intermediary or conduit through which a contribution is made shall report the name of the original contributor and the intended recipient of the contribution to the Commission and to the intended recipient.

''(C) TREATMENT AS CONTRIBUTIONS FROM THE BUNDLER.—Contributions that a bundler delivers to a candidate, agent of the candidate, or the candidate's authorized committee shall be treated as contributions from the bundler to the candidate as well as from the original contributor.

''(D) NO LIMITATION ON OR PROHIBITION OF CERTAIN ACTIVITIES.—This subsection does not—

''(i) limit fundraising efforts for the benefit of a candidate that are conducted by another candidate or Federal officeholder; or

''(ii) prohibit any individual described in subparagraph (A)(ii)(IV) from soliciting, collecting, or delivering a contribution to a candidate, agent of the candidate, or the candidate's authorized committee if the individual is not acting on behalf of the entity.''.

Subtitle E—Independent Expenditures

SEC. 241. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of, or without the consultation of, a candidate or a candidate's representative.

''(B) ITEMS EXCLUDED.—The following shall not be considered to be an independent expenditure:

''(i) An expenditure made by—

''(I) an authorized committee of a candidate for Federal office; or

''(II) a political committee of a political party.

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure has played a significant role in advising or counseling the candidate or the candidate's agents at any time on the

candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

''(v) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

''(C) PERSONS INCLUDED.—For purposes of subparagraph (B), the person making the expenditure shall include any officer, director, employee, or agent of the person.

''(18) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that, taken as a whole and with limited reference to external events, makes an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) EXPRESSION OF SUPPORT FOR OR OPPOSITION TO.—In subparagraph (A), the term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.

''(C) VOTING RECORDS.—The term 'express advocacy' does not include the publication and distribution of a communication that is limited to providing information about votes by elected officials on legislative matters and that does not expressly advocate the election or defeat of a clearly identified candidate.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

SEC. 242. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of FECA of 1971 (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (7); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

''(3)(A) Any person (including a political committee) making independent expenditures as defined in section 301 (17) and (18) with respect to a candidate in an election aggregating $1,000 or more made after the 20th day, but more than 24 hours, before the election shall file a report within 24 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $1,000 are made with respect to the same candidate after the latest report filed under this subparagraph.

''(B) Any person (including a political committee) making independent expenditures with respect to a candidate in an election aggregating $10,000 or more made at any time up to and including the 20th day before the election shall file a report within 48 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $10,000 are made with respect to the same candidate after the latest report filed under this paragraph.

''(C) A report under subparagraph (A) or (B) shall be filed with the Commission and shall identify each candidate whom the expenditure is actually intended to support or to oppose. In the case of an election for United States Senator, the Commission shall, within 2 business days of receipt of a report, transmit a copy of the report to each eligible Senate candidate seeking nomination or election to that office.

''(D) For purposes of this section, an independent expenditure shall be considered to have been made upon the making of any payment or the taking of any action to incur an obligation for payment.

''(4) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person, including a political committee, has made, or has incurred obligations to make, independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3). In the case of an election for United States Senator, the Commission shall notify each eligible Senate candidate in such election of such determination made within 2 business days after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

''(5) In the event that independent expenditures totaling in the aggregate $10,000 have been made in the same election in favor of another candidate or against an eligible Senate candidate, the Commission shall, within 2 business days, notify the eligible candidate that such candidate is entitled to an increase under section 502(e) in the candidate's applicable election limit in an amount equal to the amount of such independent expenditures.''.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of FECA (2 U.S.C. 431 et seq.) (as amended by section 201) is amended by adding at the end the following new section:

''SEC. 325. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.

''(a) DEFINITIONS.—In this section:

''(1) CAMPAIGN EXPENSE.—The term 'campaign expense' means an expense that is attributable solely to a bona fide campaign purpose.

''(2) INHERENTLY PERSONAL PURPOSES.—The term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, including a home mortgage, rent, or utility payment, clothing purchase, noncampaign automobile expense, country club membership, vacation, or trip of a noncampaign nature, household food items, tuition payment, admission to a sporting event, concert, theatre or other form of entertainment not associated with a campaign, dues, fees, or contributions to a health club or recreational facility, and any other inherently personal living expense as determined under the regulations promulgated pursuant to section 301(b) of the Senate Campaign Finance Reform Act of 1996.

''(b) PERMITTED AND PROHIBITED USES.—An individual who receives contributions as a candidate for Federal office—

''(1) shall use the contributions only for legitimate and verifiable campaign expenses; and

''(2) shall not use the contributions for any inherently personal purpose.''.

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Federal Election Commission shall promulgate regulations consistent with this Act to implement subsection (a). Such regulations shall apply to all contributions possessed by an individual on the date of enactment of this Act.

SEC. 302. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following new subsections:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

SEC. 303. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

''(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, may prescribe regulations under which persons required to file designations, statements, and reports under this Act—

''(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file them in that manner if not required to do so under regulations prescribed under clause (i).

''(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

''(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

''(D) The Secretary of the Senate and the Clerk of the House of Representatives shall ensure that any computer or other system that they may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any such system that the Commission may develop and maintain.''.

SEC. 304. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following new paragraph:

''(2) Notwithstanding paragraph (1), the Commission may after all elections are completed conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under title VI or to an authorized committee of an eligible Senate candidate or an eligible House candidate subject to audit under section 522(a).''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 305. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

(a) IN GENERAL.—Section 3210(a)(6)(A) of title 39, United States Code, is amended to read as follows:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.''.

(b) APPLICATION OF SAVINGS.—It is the intent of Congress that any savings realized by virtue of the amendment made by subsection (a) shall be designated to pay for the benefits of section 104 (relating to reduced postage rates for eligible Senate candidates) provided under section 104.

SEC. 306. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following new paragraph:

''(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

''(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

''(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

''(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

''(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

''(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.'';

(2) in paragraph (7), by striking ''(5) or (6)'' and inserting ''(5), (6), or (13)''; and

(3) in paragraph (11), by striking ''(6)'' and inserting ''(6) or (13)''.

SEC. 307. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(2)(A) is amended by inserting '', including the name and address of each person who makes contributions aggregating at least $50 but not more than $200 during the calendar year'' after ''political committees''.

TITLE IV—CONSTITUTIONALITY AND EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 402. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 403. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on January 1, 1997.

SEC. 404. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act not later than 9 months after the effective date of this Act.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, June 26, 1996, at 9:30 a.m. to hold a hearing on FEC reauthorization, oversight, and campaign finance reform.

For further information concerning this hearing, please contact Bruce Kasold of the Rules Committee staff at 224–3448.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, June 20, 1996, session of the Senate for the purpose of conducting a hearing on broadcast spectrum reform.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the full Committee on Environmental and Public Works be granted permission to continue consideration of pending business in the President's Room, S–216, the Capitol, Thursday, June 20, at approximately 2:30 p.m., immediately following the vote on the confirmation of the nomination of Alice Rivlin to be a member of the Federal Reserve Board.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. and 3 p.m. to hold hearings.

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

COMMITTEE ON THE JUDICIARY

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. to hold a hearing on White House access to FBI background summaries.

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

COMMITTEE ON INDIAN AFFAIRS AND THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. to conduct a joint hearing with the Committee on Banking, Housing, and Urban Affairs on title VII, American Indian Housing Assistance, of H.R. 2406, the U.S. Housing Act of 1996. The hearing will be held in room 538 of the Dirksen Senate Office Building.

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

ADDITIONAL STATEMENTS

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS—S. 1605

• Mr. MURKOWSKI. Mr. President: in compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources has obtained a letter from the Congressional Budget Office containing an estimate of the costs of S. 1605, the Energy Policy and Conservation Amendment Act, as reported from the committee. In addition, pursuant to Public Law 104–4, the letter contains the opinion of the Congressional Budget Office regarding whether S. 1605 contains intergovernmental mandates as defined in that act. I respectfully request that the opinion of the Congressional Budget Office be printed in the CONGRESSIONAL RECORD in its entirety.

The opinion follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., May 9, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1605, the Energy Policy and Conservation Act Amendment Act.

Enactment of S. 1605 would affect direct spending. Therefore, pay-as-you-go procedures would apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1605.

2. Bill title: Energy Policy and Conservation Act Amendment Act.

3. Bill status: As ordered reported by the Senate Committee on Energy and Natural Resources on April 24, 1996.

4. Bill purpose: S. 1605 would reauthorize certain activities and programs at the Department of Energy (DOE) through 2001. It would revise and extend the statutory guidelines and requirements of the Energy Policy and Conservation Act (EPCA), which outlines federal policies regarding energy emergencies, energy exports, and certain energy conservation initiatives. These amendments would authorize DOE to lease underutilized capacity of the Strategic Petroleum Reserve (SPR) to foreign governments to the extent provided in appropriation acts. Other provisions would remove certain restrictions on joint bidding by major oil companies for leases on the Outer Continental Shelf (OCS), modify various reporting and planning requirements, and enable the state of Hawaii to purchase oil from the SPR under certain conditions.

S. 1605 would authorize the appropriation of such sums as may be necessary for the SPR for 1996 through 2001. It would authorize specific amounts for 1996 for the State Energy Conservation Program (SECP), the Institutional Conservation Program (ICP), the Alternative Fuels Truck Commercial Application Program, and programs under Part C of EPCA (including activities supporting the International Energy Agency, the Committee on Renewable Energy Commerce and Trade, and the Committee on Energy Efficiency Commerce and Trade). The bill also would authorize the appropriation of such sums as may be necessary to implement the conservation grant and alternative fuels programs for 1997 through 2001 and the Part C programs for 1997 through 1999.

5. Estimated cost to the Federal Government: The following table summarizes the estimated budgetary effects of S. 1605. Assuming appropriation of the authorized amounts for 1997 through 2001, we estimate that enacting this bill would result in additional discretionary spending totaling between $1.4 billion and $1.5 billion over that period. CBO anticipates that enacting this bill would affect direct spending by reducing offsetting receipts from bonus bids for OCS leases, but the impact is likely to be small for each fiscal year. On average, we estimate that bonus bids would fall by about $2 million a year over the 1997–2002 period.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATIONS							
Spending under current law:							
Budget authority [1]	325	.....	.....	.....	.....	.....	.....
Estimated outlays	279	173	57	9	.....	.....	.....
WITHOUT ADJUSTMENT FOR INFLATION							
Proposed Changes:							
Estimated authorization level	31	291	291	291	286	286	.....
Estimated outlays	.....	139	255	287	289	287	148
Spending Under S. 1605:							
Estimated authorization level	356	291	291	291	286	286	.....
Estimated outlays	279	313	311	296	289	287	148
WITH ADJUSTMENT FOR INFLATION							
Proposed Changes:							
Estimated authorization level	31	291	300	309	313	324	.....
Estimated outlays	.....	139	259	300	310	318	167
Spending Under S. 1605:							
Estimated authorization level	356	291	300	309	313	324	.....
Estimated outlays	279	313	316	308	310	318	167
CHANGES IN DIRECT SPENDING							
Estimated budget authority	.....	3	2	2	2	1	1
Estimated outlays	.....	3	2	2	2	1	1

[1] The 1996 level is the amount actually appropriated.

The costs of this bill fall within budget functions 270 and 950.

6. Basis of estimate: *Spending Subject to Appropriations.* The estimate of outlays for 1996 is based on amounts actually appropriated for the fiscal year. In the case of the SPR program, we assume that recently enacted appropriations provide the necessary amounts for that program for 1996. The authorizations specified in the bill for conservation grants and the Part C activities exceed the enacted levels for those programs by a total of $31 million. We estimate that the additional authorization would not result in outlays, because we assume that a supplemental appropriation would not be enacted before the end of this fiscal year.

For future years for which authorization levels are not specified, we generally projected spending based on the amounts authorized by S. 1605 for 1996. For the SPR facilities and operations account, we have based our 1997–2001 projections on DOE's current estimate of the program's requirements for 1997 because the 1996 level is inflated by the one-time cost of decommissioning one of the SPR sites. Starting in 1997, we project spending for the SPR at about $220 million a year.

The table shows two alternative sets of authorization levels for fiscal years 1997 through 2001: one without adjustment for anticipated inflation, and a second that includes an adjustment for inflation. For the purposes of this estimate, we assume that future appropriations will be provided before the start of each fiscal year and that outlays will follow historical trends for the respective programs.

For comparability to estimates for 1997 and beyond, the table includes the $287 million gross appropriation for the SPR facilities account for 1996. This SPR account received no new budget authority for 1996 because the entire appropriation was offset by collections of $100 million from a sale of oil from one of the SPR site and by the transfer of $187 million in unobligated balances from the SPR petroleum acquisition account.

Under this bill, DOE could generate income by leasing excess SPR capacity to foreign governments if such leasing is approved in subsequent appropriation acts. If, for example, appropriations actions were to trigger this authorization by the beginning of fiscal year 1998, we estimate that the annual income from such leases would total $1 million in fiscal year 1999 and rise gradually to $11 million by 2002. This provision of S. 1605, however, would have no direct effect on offsetting receipts, because the leasing activity would be contingent upon future appropriations action.

Direct Spending. Under current law, certain major oil companies are restricted from bidding jointly for new leases on the Outer Continental Shelf. CBO expects that allowing such companies to begin bidding jointly on OCS leases would likely reduce the number of bids submitted for OCS lease sales. On average, we expect that this would lower offsetting receipts from bonuses by about $2 million per year over the 1997–2002 period. This estimate is based on information from the Minerals Management Service regarding the most recent OCS lease sale. The effect of the bill's provision on industry competition in future sales could vary, but we expect that the likely impact on bonus bids would be small in any year because relatively few winning bids in each sale are the result of direct competition between companies that are currently barred from submitting joint bids.

7. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. CBO estimates that the OCS provisions in S. 1605 would result in a reduction in offsetting receipts from bonus bids, as shown in the following table.

[By fiscal years, in millions of dollars]

	1996	1997	1998
Change in outlays	0	3	2
Change in receipts	(1)	(1)	(1)

[1] Not applicable.

8. Estimated impact on State, local, and tribal governments: S. 1605 contains no intergovernmental mandates as defined in Public Law 104–4 and would impose no direct costs on state, local, or tribal governments. The bill would extend the authorization for grants to states and localities for energy conservation programs. It would also benefit the state of Hawaii by guaranteeing that it would be allowed to purchase oil from the SPR during a drawdown of the reserve.

S. 1605 would authorize appropriations totaling $56 million for fiscal year 1996 and such sums as may be necessary for fiscal years 1997–2001 for the SECP and ICP programs. In contrast, $26 million was appropriated for 1996 for a program that would consolidate these two programs and provide grants to states. For the purposes of this estimate, we assume that the states would not receive the additional $30 million authorized by the bill, because it is unlikely that a supplemental appropriation would be enacted before the end of the fiscal year.

Under current law, states must match these grant funds at different rates. Based on

information provided by DOE, CBO estimates that states would be required to provide matching funds of approximately $5 million in fiscal year 1996. CBO has no basis for estimating the matching requirement in future years.

9. Estimated impact on the private sector: This bill would impose a new private sector mandate as defined in Public Law 104–4. It would eliminate an existing limit on the Secretary of Energy's authority to require an importer or refiner of petroleum products to maintain readily available inventories of petroleum products in the Industrial Petroleum Reserve. The existing authority has not been used and CBO estimates that the Secretary would not use the expanded authority granted by S. 1605. Thus, we estimate that the mandate would impose no additional costs on the private sector.

10. Previous CBO estimate: On April 22, 1996, CBO transmitted a cost estimate for H.R. 2596, a bill to reauthorize the Energy Policy Conservation Act through 1999, and for other purposes, as ordered reported by the House Committee on Commerce on March 13, 1996. Differences between that estimate and the estimate for S. 1605 result from differences in the two bills. In particular, the two bills authorize spending for different years, and, in some cases, for different programs and amounts.

11. Estimate prepared by: Federal Cost Estimate: Kathleen Gramp—SPR and Energy Conservation Victoria Heid—OCS. State and Local Government Impact: Marjorie Miller. Private Sector Impact: Patrice Gordon.

12. Estimate approved by: Robert A. Sunshine for Paul N. Van de Water, Assistant Director for Budget Analysis.●

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS—S. 1888

Mr. MURKOWSKI, Mr. President, in compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources has obtained a letter from the Congressional Budget Office containing an estimate of the costs of S. 1888, the Energy Policy and Conservation Act Amendments of 1996, as reported from the committee. In addition, pursuant to Public Law 104–4, the letter contains the opinion of the Congressional Budget Office regarding whether S. 1888 contains intergovernmental mandates as defined in that Act. I respectfully request that the opinion of the Congressional Budget Office be printed in the CONGRESSIONAL RECORD in its entirely.

The opinion Follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 20, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, Washington, DC.

DEAR MR. CHAIRMAN, The Congressional Budget Office has reviewed S. 1888, the Energy Policy and Conservation Act Amendments of 1996, as ordered reported by the Senate Committee on Energy and Natural Resources on June 19, 1996. CBO estimates that enacting the bill would have no significant impact on the federal budget. Enacting S. 1888 would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

S. 1888 would postpone the expiration of the provisions in the Energy Policy and Conservation Act (EPCA) related to energy emergencies from June 30, 1996, to September 30, 1996. This extension would authorize the Department of Energy (DOE) to continue to operate the Strategic Petroleum Reserve, participate in the International Energy Agency, and conduct related activities through the end of fiscal year 1996. Because funds have already been appropriated for these programs for all of fiscal year 1996, CBO estimates that enacting this will would not have any significant impact on the federal budget. Federal spending over the next three months would be affected by the bill only in the event that an energy emergency necessitates additional DOE expenditures for actions authorized by EPCA.

S. 1888 does not contain any intergovernmental or private-sector mandates as defined in Public Law. 104–4.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Kathleen Gramp, who can be reached at 226–2860.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

WEST VIRGINIA BIRTHDAY

● Mr. ROCKEFELLER. Mr. President, this is a proud moment for me and the citizens of the State as we celebrate the 133d birthday of our beautiful home.

On June 20, 1863, West Virginia gained its independence from Virginia in the midst of the Civil War. Since that time when the Nation's brotherhood was severed, West Virginia became the 35th State to enter the Union and has remained a strong and vital part of this country.

Known as the Mountain State, West Virginia is proud of its existence. Its beauty is evident as its rolling hills cover the land and its rivers and lakes surround the valleys. It is a place full of distinct culture and crafts. From the northern panhandle to the eastern panhandle extending down to the border of Kentucky, West Virginia offers some of the Nation's finest workers, industries, and businesses. We continue to welcome new corporate members to our West Virginia family, including most recently Toyota. Each year more visitors come from all over to go skiing, hiking, whitewater rafting, and do many other activities that are first rate in West Virginia. No matter what the season, West Virginia is a beautiful place to live and visit, loved throughout the world.

I could continue forever about what this fine State has to offer and contribute to its people, its visitors, and this country. For the past 133 years, West Virginians have been loyal to the Union and to the State because they are proud of who they are and what they have become. Let us all come together to celebrate this fine day and this wonderful State we call West Virginia.●

TRIBUTE TO MONSIGNOR THOMAS KEYS ON THE 25TH ANNIVERSARY OF HIS ORDINATION AS A ROMAN CATHOLIC PRIEST

Mr. SMITH. Mr. President, I rise today to pay tribute to the founder of the National Scrip Center, Monsignor Tom Keys, on the 25th anniversary of his ordination as a Roman Catholic priest. Monsignor Keys founded the National Scrip Center in 1986 to help save a Catholic high school that was facing a quarter of a million dollars worth of debt. The National Scrip Center provides an innovative gift certificate program to help schools and nonprofit organizations generate revenues for their programs.

Monsignor Keys has given numerous nonprofit organizations across the country opportunities to expand and succeed through the money they raise from Scrip. Since 1986, Monsignor Keys' Scrip Center has grown steadily and now helps over 5,000 organizations across the country. I congratulate Monsignor Keys for all his hard work over the years in establishing Scrip which has become a vital program for so many nonprofit groups. His entrepreneurial spirit has brought community nonprofit groups and businesses together in a remarkable show of unity. He is a role model for all of us to follow.

The National Scrip Center's education, training and fundraising support services have helped a network of 5,700 neighborhood Catholic, Jewish and Protestant private, parochial, and public schools and nonprofit affiliates in more than 30 States.

Under Monsignor Keys' leadership, the center empowers nonprofits to help themselves generate operating funds. One of his primary goals is to provide children and young people with opportunities for affordable quality education. The Scrip Center was first started at the St. Vincent's Parish in Petaluma, CA. Now, the national center is a network of nonprofits raising money for important causes, provides a customer service department, software for marketing and accounting purposes and other services.

I congratulate Monsignor Keys for his vision and determination. The National Scrip Center is a remarkable symbol of his 25 years of dedication to his community as a Roman Catholic priest. I am proud of his efforts and commend his inspiration to nonprofit organizations across the country. He has touched so many lives in the process. Best wishes to Monsignor Keys on his 25th anniversary as a spiritual leader, and I wish him continued prosperity, happiness, and blessings as the Scrip network of nonprofit organizations continues to grow.

TRIBUTE TO SHELLY LIST

● Mrs. BOXER. Mr. President, today I want to pay tribute to the late Shelly List, a novelist, television writer, and journalist of great distinction, whose work was not only commercially successful, but also highly regarded by critics and other artists.

Shelly List was probably best known to Americans as the producer of the successful and pioneering television

dramatic series ''Cagney and Lacey.'' One episode she wrote was nominated for a Humanitas Prize, given for humanizing achievement in television writing.

Other television writing credited to Shelly List, who worked closely with her husband and coproducer Jonathan Estrin, was honored by the Writers Guild of America and earned the Ace Award for Distinguished Writing. The critical acclaim for her work goes on and on.

Shelly List was a humanitarian and community activist, as well. She served on the board of Operation USA, which delivered medical supplies to disaster areas across the globe and she risked her life on trips to war-torn areas. Shelly was a member of the board of the Hollywood Women's Political Committee. She cared deeply about her community and its people, something which was reflected in her writing and in her devotion to important causes.

Shelly, who died in late May at the age of 55, was a longtime resident of the Venice community in Los Angeles, CA. In addition to her husband, she is survived by her brothers, children, and a grandson.

Shelly List was my constituent, a trusted advisor, and a great friend. She was a committed civic leader, a great artist, and a successful businesswoman. I will miss her, as will all Americans who appreciate quality television programming and dedicated community service.

In her memory, I will do all I can in the U.S. Senate to bring compassion and commitment to my work.●

TRIBUTE TO ANDREA GLODDY, JAPAN-UNITED STATES SENATE SCHOLAR FROM NEW HAMPSHIRE

● Mr. SMITH. Mr. President, I rise today to congratulate Andrea Gloddy, the New Hampshire recipient of the Japan-United States Senate Scholarship. Andrea was selected from more than 500 applicants in the Youth for Understanding International Exchange Program to represent New Hampshire in Japan.

Andrea is from Madbury, NH, and just finished her junior year at Phillips Exeter Academy. In addition to an excellent academic record, she pursues interests in community service, music, photography, and sports. Through her work, Andrea has demonstrated great initiative and a strong interest in world affairs. She plans to attend college and major in International Relations or International Business.

The Japan-United States Senate Youth Exchange selects one student from each State to spend 6 weeks in Japan studying government, language, and culture. During her time in Japan, she will participate in receptions and meetings with government officials in Tokyo and live with a Japanese host family. Andrea will be an outstanding ambassador from the Granite State and help foster understanding between two different cultures.

This scholarship program helps prepare the future leaders of our Nation by increasing their understanding about the world and shaping their global perspectives. I commend Andrea for her hard work, and I congratulate her for this distinguished honor. I wish her success in Japan and in her academic career.●

UNITED STATES LOSES RANK IN GLOBAL GIVING

● Mr. SIMON. Mr. President, a press conference was held yesterday, which included, among other persons, Congressman TONY HALL; the head of AID, Brian Atwood; and Julia Taft, the head of Interaction. Also present were Rudy von Bernuth, executive director of the Council of Voluntary Agencies, and David Beckman, president of Bread for the World.

The press conference called attention to the abysmal record of the United States compared to other nations in our response to world hunger. For example, France, with only 60 million people, compared to our 250 million people, has provided more foreign economic assistance than the United States. And we have a gross national product—national income—that is 5½ times that of France.

Japan, Germany, and France are all ahead of us in absolute dollars given, when once we were by far the leading country.

Not only that, but in terms of the percentage of our national income, we are behind every Western European country, Australia, New Zealand, and Japan. Denmark provides almost 1 percent compared to our one-tenth of 1 percent. Ahead of us are Sweden, Norway, Netherlands, France, Canada, Belgium, Luxembourg, Australia, Switzerland, Austria, Finland, Germany, United Kingdom, Japan, Portugal, Ireland, Spain, New Zealand, and Italy.

I ask to have printed in the RECORD the transcript of the news conference and the article in the Washington Post by Thomas Lippman.

The material follows:

U.S. LOSES RANK IN GLOBAL GIVING

(By Thomas W. Lippman)

The United States, once the world leader in aid to developing nations, has dropped to fourth in the amount of money it spends on such aid and is a distant last among donor nations in the percentage of economic output devoted to foreign aid, according to new figures released yesterday.

Japan, France and Germany contributed more money to Third World development last year than the United States did. America fell to fourth place from second, behind Japan, in 1994.

The United States also was last among the 21 nations in the Development Assistance Committee of the Paris-based Organization of Economic Cooperation and Development in the share of national output devoted to Third World assistance, OECD reports.

Among the countries that contributed more of their gross national product were Portugal, Ireland and New Zealand, negligible economic powers by comparison with the United States, which has by far the world's biggest economy.

The OECD figures were trumpeted at a news conference yesterday by Clinton administration foreign aid director J. Brian Atwood and spokesmen for nongovernmental groups supportive of foreign aid. They used the figures to argue that U.S. aid has fallen too far and that this country is abdicating its global responsibilities.

''Our foreign assistance program accounts for less than 1 percent of our national [federal government] budget, about $34 per taxpaying family,'' Atwood said. ''That's not generous. We should feel ashamed. We are failing to fulfill our responsibilities as a world power. More importantly, we are failing our own national interests and we're failing our own national values.''

Atwood's Agency for International Development has been hit especially hard by budget cuts imposed by the Republican-controlled Congress, where many members are hostile to most forms of foreign aid. This morning, Atwood said, AID will begin laying off 200 workers, including veterans with years of experience in the field and foreign language skills, because ''we do not have the budget to sustain their employment.''

Atwood and his allies—including Rep. Tony Hall (D-Ohio) and Julia Taft, president of the Interaction umbrella organization of volunteer groups—made the same argument they have been making for the past year and half: that it is penny-wise but pound foolish for Congress to beef up defense spending but cut development assistance that could make military interventions unnecessary.

''Many members of Congress, especially the newer ones, they express a deep hostility toward foreign aid,'' Hall said. ''Many elected officials lack the vision and the leadership to make it clear to their voters that the eradication of poverty is in the best interest of everyone, both rich and poor countries.''

Congress has not been moved by such arguments. Funds for development and humanitarian assistance—not including military aid—were cut from $8.4 billion in fiscal 1995 to $7 billion this year and are scheduled to decrease a bit more next year—even as the House voted earlier this month to spend $11 billion more on defense than the administration requested.

Using slightly different categories, the OECD credited the United States with $7.3 billion in development aid in 1995. Japan gave $15.5 billion, France $8.44 billion and Germany $7.5 billion. The U.S. figure was one-tenth of 1 percent of GNP, lowest in the contributors' group. The highest was Denmark, at just under 1 percent of GNP.

The role of U.S. assistance in the developing world was narrowed by the heavy concentration of funds going to Israel and Egypt: $2.05 billion of the $7.3 billion was earmarked for those two Middle East nations.

Supporters of foreign aid complain that Americans in general, and many members of Congress, believe foreign aid is a big-ticket item in the U.S. budget that can be slashed to cut the deficit. The reality, Taft said, is that this represents ''widespread misunderstanding about how little money really goes to foreign aid.''

[From the Federal Document Clearing House]

TRANSCRIPT OF NEWS CONFERENCE, JUNE 17, 1996

(Speakers list: J. Brian Atwood, director, U.S. Agency for International Development; U.S. Representative Tony Hall (D-OH); Julia Taft, president, Interaction; Rudy von Bernuth, executive director, Council of Voluntary Agencies; David Beckman, president, Bread for the World)

ATWOOD. Thank you very much, Julia, and thank you for your leadership and that of Interaction, a group of American non-governmental organizations who do humanitarian and development work. We're pleased that the NGOs that are members of Interaction are partners in delivering assistance to people around the world.

We have a table at the front here full of leaders; David, Rudy, Tony Hall. All, in their own way, have really been leaders in this effort. We're here today to discuss some rather dismal statistics. This is a very sad week for the American foreign assistance program. The Development Assistance Committee of the Organization for Economic Cooperation and Development has this morning in Paris released its 1995 statistics for official development assistance.

The United States has now fallen behind Japan, France and Germany in total aid volume. Our volume has dropped by one-third and we continue to rank last among donor nations as a percentage of our gross national product, as Julia indicated. Tomorrow, USAID will begin a reduction of its workforce. The first of 200 letters will be distributed to our American staff informing them that we do not have the budget to sustain their employment. This comes on the heels of reducing the USAID workforce from 11,500 to 8,700. This is the second largest reduction in the U.S. government.

The services of outstanding development professionals will be lost to the U.S. government, possibly forever. So, at the moment when global development problems are mounting, the United States is severely damaging its institutional capacity to respond. At the same time, the overall contribution of the industrial nations to development has fallen another 10 percent. This is a reduction of 18 percent in the last two calendar years.

International organizations, the United Nations and the international financial institutions, led by the World Bank, are being undermined just as the world faces major real development problems. Eight hundred million people, mostly children, are malnourished. Food shortages in many areas of the developing world have become acute. Insurance companies are paying out record amounts for weather-related damages due to global warming. Millions of families have no access to family planning services, which is causing millions of unwanted pregnancies, maternal deaths and abortions.

Nation-states are failing in greater numbers than ever due to political, economic, environmental and demographic pressures, unleashing a tide of refugees and displaced persons. These problems will only get worse as the world's population grows by one billion people each decade.

These new people can either be consumers, or they can be the wards of the world's rich countries.

That's the choice that we face today. We Americans think of ourselves as generous people. We respond when there is a humanitarian crisis. But the time is over for measuring our generosity simply by our response to disasters.

As Julia mentioned, we're the richest nation on earth. Our economy produces $6 trillion a year in goods and services. Yet our foreign assistance program accounts for less than one percent of our national budget, about $34 per taxpaying family.

That's not generous. We should feel ashamed. We are failing to fulfill our responsibilities as a world power. More importantly, we are failing our own national interests and we're failing our own national values.

I think it's time to wake up and realize that we will not balance our budget without sustained growth in the global economy. We will not balance our budget if the developing world continues to produce failed states that disrupt the global economy. We need to make the investments in development assistance that will preserve our children's health, standard of living, and safety.

If we continue to ignore this responsibility, the world will see increasing chaos, and our generation will be condemned for its short-sightedness. Thank you.

JULIA TAFT. Thank you, Brian. Congressman Hall?

HALL. Thank you, Julia and Brian and David, Rudy. Ladies and gentlemen and friends, today's report—pardon me—really comes at an historic moment. This is a time of enormous opportunities for peace and prosperity. Russia had just held its second election on a record of more economic reform and more trade.

But it's also a time of terrible suffering in countries all over the world. There's well over 23 humanitarian crises that are going on right now. And it's a time of internal chaos that faces other countries where peace technically prevails, such as in Bosnia.

The clearest message in today's report is that while the quality of aid is improving, the quantity of financial resources is slipping dramatically.

Two more reports offer a troubling picture of the future. Four out of every five dollars that next year's foreign appropriation bill cuts are in the programs that target the world's poorest people. It does try to maintain the current commitment to UNICEF and childhood survival programs, but otherwise falls short of even last year's miserly contribution.

The agriculture appropriation bill ignores the sobering fact that wheat and corn prices have doubled, and that prices for other commodities are near all-time highs. This means significantly less food will reach the mouths of hungry children and others next year.

And this is something that really hasn't been focused on. The appropriation bill, the agriculture bill that we passed last year—or I'm sorry, last week—is the lowest percentage of tonnage that I can remember, probably the lowest percentage of tonnage going to hungry people since the start of the program. And it's been cut in half since 1993.

This is doubly shortsighted because the grain we are not providing is grown by American farmers.

Many members of Congress, especially the newer ones, they express a deep hostility towards foreign aid. Many elected officials lack the vision and the leadership to make it clear to their voters that the eradication of poverty is in the best interest of everyone, both rich and poor countries.

The story doesn't end here, though, and, like the spirits of Christmas past and present and future, these trends do not seal our fate. I believe there is a different spirit in our nation, and that this is the spirit that should guide us to a different future. I believe that people are willing to help people help themselves, and there is no shortage of support for food aid and microenterprise programs, and popularly-supported programs that do just that.

Both government programs and NGOs need seed money and nurturing. I believe that people stand ready to help children, especially, and the millions of refugees of wars and weather disasters. Poll after poll supports this readiness, and my own constituents affirm it to me every time I go home. I believe my constituents are proud of the fact that I work on these programs.

As a matter of fact—I've said this to you before, and I can't say enough times—and that a recent poll showed that it was a very wide, very wide poll from the standpoint it had tremendous diversity across the country that people believed that hunger and poverty issues are as important as balancing the budget and health care issues.

There is a consensus emerging among governments, NGOs, churches, and people who are guided by their conscience that we know how to fight hunger and poverty, and that we can beat it if we work together. Despite the critics, there is ample evidence to support the consensus. Some 20 years ago, the world banded together and they wiped out smallpox, and we won. And we are very close to eliminating polio.

Winning that battle will mean that American families will save the quarter billion dollars spent each year on polio vaccines. It will mean that the dozen American children who actually catch polio from the vaccine each year won't anymore. And it will mean that we will save the lives of the thousands of children crippled or killed by polio each year.

In the past 50 years, we have helped raise literacy by a third, cut infant mortality in half, and increase life expectancy from 44 to 62 years. The United States cannot afford to ignore any region or segment of a population, however poor. We are too connected, we are too attuned to the other people we watch on television every night, we're too vulnerable to diseases that begin continents away, and too enriched by exports to nations whose people achieve a healthy standard of living.

Interaction and development initiatives deserve a special commendation for their Relief of Aid Report. It is hard evidence that the quality of aid is improving, and it is a clear call to action for developed countries to focus more resources on hunger and poverty.

Thank you.

Mr. SIMON. Mr. President, the United States should become a humanitarian leader once again instead of dragging our feet. And in the long run our failure to do the generous and right thing will cost our people both in security terms and in economic terms.●

MAKING MAJORITY APPOINTMENTS TO COMMITTEES

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the immediate consideration of a resolution, which I send to the desk, making majority appointments to committees.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 267) to make changes in committee membership for the 104th Congress.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be

agreed to and the motion to reconsider be laid upon the table.

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

The resolution was agreed to, as follows:

S. RES. 267

Resolved, That notwithstanding any provision of the Standing Rules of the Senate, the following Senators are either added to or removed from the following committees for the 104th Congress, or until their successors are appointed:

Added to:

Armed Services: The Senator from Kansas [Mrs. FRAHM];

Banking, Housing, and Urban Affairs: The Senator from Kansas [Mrs. FRAHM];

Finance: The Senator from Mississippi [Mr. LOTT];

Governmental Affairs: The Senator from New Mexico [Mr. DOMENICI];

Agriculture, Nutrition and Forestry: The Senator from Texas [Mr. GRAMM];

Rules and Administration: The Senator from Mississippi [Mr. LOTT];

Budget: The Senator from Florida [Mr. MACK];

Removed from:

Armed Services: The Senator from Mississippi [Mr. LOTT];

Banking, Housing, and Urban Affairs: The Senator from New Mexico [Mr. DOMENICI];

Governmental Affairs: The Senator from Colorado [Mr. BROWN]; and

Budget: The Senator from Mississippi [Mr. LOTT].

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Intelligence: the Senator from Pennsylvania [Mr. SPECTER], the Senator from Indiana [Mr. LUGAR], the Senator from Alabama [Mr. SHELBY], the Senator from Ohio [Mr. DEWINE], the Senator from Arizona [Mr. KYL], the Senator from Oklahoma [Mr. INHOFE], the Senator from Texas [Mrs. HUTCHISON], the Senator from Maine [Mr. COHEN], and the Senator from Colorado [Mr. BROWN].

MEASURE PLACED ON CALENDAR—H.R. 3525

Mr. LOTT. Mr. President, I ask unanimous consent that H.R. 3525, which was just received from the House, be placed on the calendar.

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

Mr. LOTT. I note this is the legislation dealing with the church burning issue.

ANTI-CAR THEFT IMPROVEMENTS ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2803, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2803) to amend the anti-car theft provisions of title 49, United States Code, to increase the utility of motor vehicle title information to State and Federal law enforcement officials, 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.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to this bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 2803) was considered read the third time and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Executive Calendar nominations Nos. 606, 607, 609 and 610 through 632, and all nominations placed on the Secretary's desk.

I further ask unanimous consent that the nominations be confirmed en bloc; that the motions to reconsider be laid upon the table en bloc; that any statements relating to the nominations appear at the appropriate place in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate then return to legislative session.

I note here, Mr. President, that these are military nominations which were reported out of the Armed Services Committee on June 13.

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

The nominations considered and confirmed, en bloc, are as follows:

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Ronald T. Kadish, 000–00–0000, U.S. Air Force

The following-named officer for appointment to the grade of general in the U.S. Air Force while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be general

Lt. Gen. Walter Kross, 000–00–0000

IN THE ARMY

The following-named officer for appointment to the grade of general in the U.S. Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be general

Lt. Gen. Wesley K. Clark, 000–00–0000, U.S. Army

The following U.S. Army Reserve officers for promotion in the Reserve of the Army to the grades indicated under title 10, United States Code, sections 3371, 3384, and 12203(a):

To be major general

Brig. Gen. Paul C. Bergson, 000–00–0000
Brig. Gen. Douglas E. Caton, 000–00–0000
Brig. Gen. Anthony R. Kropp, 000–00–0000
Brig. Gen. John M. O'Connell, 000–00–0000

To be brigadier general

Col. Voneree Deloatch, 000–00–0000
Col. Robert M. Diamond, 000–00–0000
Col. Alfonsa Gilley, 000–00–0000
Col. Haywood S. Gilliam, 000–00–0000
Col. Pierce A. Roan, Jr., 000–00–0000
Col. Alfred T. Rossi, 000–00–0000
Col. Richard G. Simmons, 000–00–0000

The following-named officer for appointment to the grade of general in the U.S. Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be general

Lt. Gen. David A. Bramlett, 000–00–0000, U.S. Army

The following-named officer for appointment to the grade of lieutenant general in the U.S. Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Peter J. Schoomaker, 000–00–0000

IN THE MARINE CORPS

The following-named brigadier generals of the U.S. Marine Corps for promotion to the grade of major general, under the provisions of section 624 of title 10, United States Code:

To be major general

Brig. Gen. Thomas A. Braaten, 000–00–0000, USMC
Brig. Gen. Michael P. DeLong, 000–00–0000, USMC
Brig. Gen. Edward Hanlon, Jr., 000–00–0000, USMC
Brig. Gen. Geoffrey B. Higginbotham, 000–00–0000, USMC
Brig. Gen. George M. Karamarkovich, 000–00–0000, USMC
Brig. Gen. Jack W. Klimp, 000–00–0000, USMC

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under the provisions of section 601, title 10, United States Code:

To be lieutenant general

Maj. Gen. Carol A. Mutter, 000–00–0000

The following-named officer for appointment as Assistant Commandant of the Marine Corps, Headquarters, U.S. Marine Corps, and appointment to the grade of general while serving in that position under the provisions of section 5044, title 10, United States Code:

To be Assistant Commandant of the Marine Corps

Lt. Gen. Richard I. Neal, 000–00–0000

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under section 601, title 10, United States Code:

To be lieutenant general

Maj. Gen. Terrence R. Dake, 000–00–0000

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under section 601, title 10, United States Code:

To be lieutenant general

Maj. Gen. Jeffrey W. Oster, 000–00–0000

The following-named officer for appointment to the grade of lieutenant general in the U.S. Marine Corps while assigned to a position of importance and responsibility under the provisions of section 601, title 10, United States Code:

To be lieutenant general

Maj. Gen. James L. Jones, Jr., 000–00–0000

IN THE NAVY

The following-named officers for promotion in the Navy of the United States to the grade indicated under title 10, United States Code, section 624:

SUPPLY CORPS

To be rear admiral

Rear Adm. (lh) Edward R. Chamberlin, 000–00–0000, U.S. Navy

SENIOR HEALTH CARE EXECUTIVE

To be rear admiral

Rear Adm. (lh) Noel K. Dysart, Jr., 000–00–0000, U.S. Navy

Rear Adm. (lh) Dennis I. Wright, 000–00–0000, U.S. Navy

The following-named officers for promotion in the Staff Corps in the Navy of the United States to the grade indicated under title 10, United States Code, section 624:

MEDICAL CORPS

To be rear admiral (lower half)

Capt. Alberto Diaz, Jr., 000–00–0000, U.S. Navy

SUPPLY CORPS

To be rear admiral (lower half)

Capt. David P. Keller, 000–00–0000, U.S. Navy

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

Capt. Peter W. Marshall, 000–00–0000, U.S. Navy

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) Thomas B. Fargo, 000–00–0000

The following-named officer for appointment to the grade of admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be admiral

Vice Adm. Archie R. Clemins, 000–00–0000

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) Robert J. Natter, 000–00–0000

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. James B. Perkins III, 000–00–0000

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Herbert A. Browne II, 000–00–0000

The following-named officers for promotion in the Naval Reserve of the United States to the grade indicated under title 10, United States Code, section 5912:

UNRESTRICTED LINE

To be rear admiral (lower half)

Capt. John Nicholas Costas, 000–00–0000, U.S. Naval Reserve

Capt. Joseph Coleman Hare, 000–00–0000, U.S. Naval Reserve

Capt. Daniel Lawrence Kloeppel, 000–00–0000, U.S. Naval Reserve

Capt. Henry Francis White, Jr., 000–00–0000, U.S. Naval Reserve

UNRESTRICTED LINE (TAR)

To be rear admiral (lower half)

Capt. John Francis Brunelli, 000–00–0000, U.S. Naval Reserve

The following-named officer for appointment to the grade of admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601, and title 42, United States Code, section 7158:

DIRECTOR, NAVAL NUCLEAR PROPULSION PROGRAM

To be admiral

Vice Adm. Frank L. Bowman, 000–00–0000

The following-named officer for reappointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Arthur K. Cebrowski, 000–00–0000

The following-named officers for promotion in the Naval Reserve of the United States to the grade indicated under title 10, United States Code, section 5912:

DENTAL CORPS

To be rear admiral (lower half)

Capt. Vernon Paul Harrison, 000–00–0000, U.S. Naval Reserve

JUDGE ADVOCATE GENERAL'S CORPS

To be rear admiral (lower half)

Capt. Clifford Joseph Sturek, 000–00–0000, U.S. Naval Reserve

SUPPLY CORPS

To be rear admiral (lower half)

Capt. Steven Robert Morgan, 000–00–0000, U.S. Naval Reserve

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

Capt. Robert Charles Marlay, 000–00–0000, U.S. Naval Reserve

The following-named officer for appointment to the grade of admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be admiral

Vice Adm. J. Paul Reason, 000–00–0000

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) Patricia A. Tracey, 000–00–0000

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) James O. Ellis, Jr., 000–00–0000

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Kathleen S. Bohanon, and ending Nancy Melendez Camilo, which nominations were received by the Senate and appeared in the Congressional Record of April 25, 1996.

Air Force nominations beginning James C. Bair, and ending Donald W. Davison, which nominations were received by the Senate and appeared in the Congressional Record of April 25, 1996.

Air Force nominations beginning Thomas R. Bird, and ending William A. Dykes, Jr., which nominations were received by the Senate and appeared in the Congressional Record of May 14, 1996.

Air Force nominations beginning Warren J. Andersen, and ending Mark S. Johnson, which nominations were received by the Senate and appeared in the Congressional Record of May 14, 1996.

Air Force nominations beginning Kenneth D. Allen, Jr., and ending Albert L. Sherburne, which nominations were received by the Senate and appeared in the Congressional Record of May 14, 1996.

Army nominations beginning Loren D. Alves, and ending Joseph F. Yetter, which nominations were received by the Senate and appeared in the Congressional Record of January 22, 1996.

Army nominations beginning Daniel F. Abahazy, and ending 2229x, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1996.

Army nominations beginning Glen L. Bloomstrom, and ending Richard R. Young, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 1996.

Army nomination of Robert A. Childers, which was received by the Senate and appeared in the Congressional Record of April 19, 1996.

Army nominations beginning Carl E. Dawkins, Jr., and ending Leon I. Steinberg, which nominations were received by the Senate and appeared in the Congressional Record of April 19, 1996.

Army nomination of Wayne E. Anderson, which was received by the Senate and appeared in the Congressional Record of May 6, 1996.

Army nominations beginning Timothy J. Coen, and ending Ronald E. Banks, which nominations were received by the Senate and appeared in the Congressional Record of May 6, 1996.

Army nominations beginning Garry F. Atkins, and ending Janice L. Wood, which nominations were received by the Senate and appeared in the Congressional Record of May 6, 1996.

Army nominations beginning Charles C. Appleby, and ending Deborah A. Roman, which nominations were received by the Senate and appeared in the Congressional Record of May 17, 1996.

Army nominations beginning Mitchell L. Brown, and ending Dale P. Foster, which nominations were received by the Senate and appeared in the Congressional Record of May 17, 1996.

Marine Corps nomination of E.D. Elek, which was received by the Senate and appeared in the Congressional Record of May 17, 1996.

Marine Corps nomination of Wade C. Straw, which was received by the Senate and appeared in the Congressional Record of May 17, 1996.

Marine Corps nomination of Thomas J. Felts, which was received by the Senate and appeared in the Congressional Record of May 17, 1996.

Marine Corps nomination of Patrick A. Sivigny, which was received by the Senate and appeared in the Congressional Record of May 17, 1996.

Marine Corps nominations beginning Ronald J. Crabbs, and ending Lawrence R. Wooley, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1996.

Navy nominations beginning James A. Caviness, and ending William M. Wike, which nominations were received by the Senate and appeared in the Congressional Record of April 25, 1996.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

CAMPAIGN FINANCE REFORM

Mr. LOTT. Mr. President, with regard to campaign finance reform, I now ask unanimous consent that the Rules Committee be discharged from further consideration of S. 1219, regarding campaign finance reform, and that the Senate now turn to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1219) to reform the financing of Federal elections, 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.

AMENDMENT NO. 4092

(Purpose: To provide a complete substitute)

Mr. LOTT. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. MCCAIN, for himself, Mr. FEINGOLD and Mr. THOMPSON, proposes an amendment numbered 4092.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to and considered original text for the purpose of further amendment; and that no further amendments or modifications be in order prior to the cloture vote.

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

The amendment (No. 4092) was agreed to.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on S. 1219, the campaign finance reform bill:

Trent Lott, John McCain, Judd Gregg, Bob Smith, Rick Santorum, Sheila Frahm, Claiborne Pell, Jeff Bingaman, David Pryor, John F. Kerry, Paul Wellstone, Patty Murray, Fred Thompson, Bob Graham, Herb Kohl, Russell D. Feingold.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate resume the bill for debate only at 2 p.m., Monday, June 24.

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

Mr. LOTT. Mr. President, I ask unanimous consent that at 10:30 a.m., on Tuesday, June 25, the Senate resume consideration of S. 1219 for debate only for 2 hours, to be equally divided in the usual form.

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

Mr. LOTT. Mr. President, I ask unanimous consent that the cloture vote occur at 2:15 p.m., Tuesday, June 25.

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

Mr. LOTT. Mr. President, I ask unanimous consent that Members have until 2 p.m., Monday, June 24, to file first-degree amendments and 12:30 p.m., on Tuesday, June 25, to file second-degree amendments, notwithstanding the provisions of rule XXII.

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

Mr. LOTT. Mr. President, I do want to express my appreciation to all those who have been involved in arranging for this legislation to be brought up in this manner. Senator MCCAIN, Senator MCCONNELL, Senator FEINGOLD, obviously, the Democratic leader, have been involved in these discussions. I think it is appropriate that we have this debate. We have agreed upon a way to consider it that I think will be fair to all concerned.

ORDERS FOR FRIDAY, JUNE 21, 1996 AND MONDAY, JUNE 24, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m., Friday, June 21, further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and that there then be a period for morning business until the hour of 12:30, with Senators to speak for up to 5 minutes each, with the following exceptions: Senator COVERDELL or his designee in control of the first 90 minutes, Senator DASCHLE or his designee in control of the second 90 minutes, with Senator LIEBERMAN in control of 15 minutes of Senator DASCHLE's time; further, I ask unanimous consent that immediately following morning business, the Senate stand in adjournment until the hour of 1 p.m., Monday, June 24, and immediately following the prayer on Monday, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have been expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 2 p.m., with each Senator allowed to speak for up to 5 minutes each; and, further, immediately following morning business, the Senate resume consideration of S. 1219, the campaign finance reform bill.

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

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will be in session tomorrow for morning business only. I had hoped that we would be able to get some more amendments considered on the Department of Defense authorization bill, but we were having difficulty getting Senators to be available to offer amendments, plus, there were other considerations involved. So we will only have the morning business. There will be no rollcall votes then during the day on Friday. The Senate will then reconvene on Monday, and following the period of morning business, we will resume the campaign finance bill consideration. There will be no rollcall votes during Monday's session of the Senate so that we can have this debate.

A cloture motion was filed on the campaign finance bill today, with that cloture vote order to occur at 2:15 p.m. on Tuesday. As a reminder to all Senators, first-degree amendments must be filed by 2 p.m. on Monday, and second-degree amendments by 12:30 on Tuesday. The Senate will resume the Department of Defense authorization bill next week. Therefore, Senators should anticipate a busy week with rollcall votes throughout each session.

As I indicated earlier, we have not made enough progress on this bill, and if we have to go into the night next week, we will just have to do that. I had hoped not to have to do that, but we have to find a way to get the work completed. We will have to look at that option. Of course, we will discuss that with the bill managers, and certainly with the Democratic leader.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:41 p.m., adjourned until Friday, June 21, 1996, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1996:

FEDERAL RESERVE SYSTEM

ALAN GREENSPAN, OF NEW YORK, TO BE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOUR YEARS.

LAURENCE H. MEYER, OF MISSOURI, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF FOURTEEN YEARS FROM 2/1/88.

ALICE M. RIVLIN, OF PENNSYLVANIA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 1996.

ALICE M. RIVLIN, OF PENNSYLVANIA, TO BE A VICE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOUR YEARS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. RONALD T. KADISH, 000–00–0000, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. WALTER KROSS, 000–00–0000.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. WESLEY K. CLARK, 000–00–0000.

THE FOLLOWING U.S. ARMY RESERVE OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 3371, 3384 AND 12203(A):

To be major general

BRIG. GEN. PAUL C. BERGSON, 000–00–0000.
BRIG. GEN. DOUGLAS E. CATON, 000–00–0000.
BRIG. GEN. ANTHONY R. KROPP, 000–00–0000.
BRIG. GEN. JOHN M. O'CONNELL, 000–00–0000.

To be brigadier general

COL. VONEREE DELOATCH, 000–00–0000.
COL. ROBERT M. DIAMOND, 000–00–0000.
COL. ALFONSA GILLEY, 000–00–0000.
COL. HAYWOOD S. GILLIAM, 000–00–0000.
COL. PIERCE A. ROAN, JR., 000–00–0000.
COL. ALFRED T. ROSSI, 000–00–0000.
COL. RICHARD G. SIMMONS, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601(A):

To be general

LT. GEN. DAVID A. BRAMLETT, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. PETER J. SCHOOMAKER, 000–00–0000.

IN THE MARINE CORPS

THE FOLLOWING-NAMED BRIGADIER GENERALS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF MAJOR GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. THOMAS A. BRAATEN, 000–00–0000.
BRIG. GEN. MICHAEL P. DELONG, 000–00–0000.
BRIG. GEN. EDWARD HANLON, JR., 000–00–0000.
BRIG. GEN. GEOFFREY B. HIGGINBOTHAM, 000–00–0000.
BRIG. GEN. GEORGE M. KARAMARKOVICH, 000–00–0000.
BRIG. GEN. JACK W. KLIMP, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER THE PROVISIONS OF SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. CAROL A. MUTTER, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS ASSISTANT COMMANDANT OF THE MARINE CORPS, HEADQUARTERS, U.S. MARINE CORPS, AND APPOINTMENT TO THE GRADE OF GENERAL WHILE SERVING IN THAT POSITION UNDER THE PROVISIONS OF SECTION 5044, TITLE 10, UNITED STATES CODE:

To be assistant commandant of the Marine Corps

LT. GEN. RICHARD I. NEAL, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. TERRENCE R. DAKE, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. JEFFREY W. OSTER, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER THE PROVISIONS OF SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. JAMES L. JONES, JR., 000–00–0000.

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

SUPPLY CORPS

To be rear admiral

REAR ADM. (LH) EDWARD R. CHAMBERLIN, 000–00–0000, U.S. NAVY.

SENIOR HEALTH CARE EXECUTIVE

To be rear admiral

REAR ADM. (LH) NOEL K. DYSART, JR., 000–00–0000, U.S. NAVY.
REAR ADM. (LH) DENNIS I. WRIGHT, 000–00–0000, U.S. NAVY.

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE STAFF CORPS IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

MEDICAL CORPS

To be rear admiral (lower half)

CAPT. ALBERTO DIAZ, JR., 000–00–0000, U.S. NAVY.

SUPPLY CORPS

To be rear admiral (lower half)

CAPT. DAVID P. KELLER, 000–00–0000, U.S. NAVY.

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

CAPT. PETER W. MARSHALL, 000–00–0000, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) THOMAS B. FARGO, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. ARCHIE R. CLEMINS, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) ROBERT J. NATTER, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JAMES B. PERKINS III, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. HERBERT A. BROWNE II, 000–00–0000.

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVAL RESERVE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE

To be rear admiral (lower half)

CAPT. JOHN NICHOLAS COSTAS, 000–00–0000, U.S. NAVAL RESERVE.
CAPT. JOSEPH COLEMAN HARE, 000–00–0000, U.S. NAVAL RESERVE.
CAPT. DANIEL LAWRENCE KLOEPPEL, 000–00–0000, U.S. NAVAL RESERVE.
CAPT. HENRY FRANCIS WHITE, JR., 000–00–0000, U.S. NAVAL RESERVE.

UNRESTRICTED LINE (TAR)

To be rear admiral (lower half)

CAPT. JOHN FRANCIS BRUNELLI, 000–00–0000, U.S. NAVAL RESERVE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601 AND TITLE 42, UNITED STATES CODE, SECTION 7158:

DIRECTOR, NAVAL NUCLEAR PROPULSION PROGRAM

to be admiral

VICE ADM. FRANK L. BOWMAN, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

VICE ADM. ARTHUR K. CEBROWSKI, 000–00–0000.

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVAL RESERVE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

DENTAL CORPS

To be rear admiral (lower half)

CAPT. VERNON PAUL HARRISON, 000–00–0000, U.S. NAVAL RESERVE.

JUDGE ADVOCATE GENERAL'S CORPS

To be rear admiral (lower half)

CAPT. CLIFFORD JOSEPH STUREK, 000–00–0000, U.S. NAVAL RESERVE.

SUPPLY CORPS

To be rear admiral (lower half)

CAPT. STEVEN ROBERT MORGAN, 000–00–0000, U.S. NAVAL RESERVE.

CIVIL ENGINEER CORPS

To be rear admiral (lower half)

CAPT. ROBERT CHARLES MARLAY, 000–00–0000, U.S. NAVAL RESERVE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. J. PAUL REASON, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) PATRICIA A TRACEY, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) JAMES O. ELLIS, JR., 000–00–0000.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING KATHLEEN S. BOHANON, AND ENDING NANCY MELENDEZ CAMILO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 25, 1996.

AIR FORCE NOMINATIONS BEGINNING JAMES C. BAIR, AND ENDING DONALD W. DAVISON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 25, 1996.

AIR FORCE NOMINATIONS BEGINNING THOMAS R. BIRD, AND ENDING WILLIAM A. DYKES, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 14, 1996.

AIR FORCE NOMINATIONS BEGINNING WARREN J. ANDERSEN, AND ENDING MARK S. JOHNSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 14, 1996.

AIR FORCE NOMINATIONS BEGINNING KENNETH D. ALLEN, JR., AND ENDING ALBERT L. SHERBURNE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 14, 1996.

IN THE ARMY

ARMY NOMINATIONS BEGINNING LOREN D. ALVES, AND ENDING *JOSEPH F. YETTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JANUARY 22, 1996.

ARMY NOMINATIONS BEGINNING DANIEL F. ABAHAZY, AND ENDING 2229X, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 20, 1996.

ARMY NOMINATIONS BEGINNING GLEN L. BLOOMSTROM, AND ENDING RICHARD R. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 15, 1996.

ARMY NOMINATION OF ROBERT A. CHILDERS, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 19, 1996.

ARMY NOMINATIONS BEGINNING CARL E. DAWKINS, JR., AND ENDING LEON I. STEINBERG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 19, 1996.

ARMY NOMINATION OF WAYNE E. ANDERSON, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 6, 1996.

ARMY NOMINATIONS BEGINNING TIMOTHY J. COEN, AND ENDING RONALD E. BANKS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 6, 1996.

ARMY NOMINATIONS BEGINNING GARRY F. ATKINS, AND ENDING *JANICE L. WOOD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 6, 1996.

ARMY NOMINATIONS BEGINNING CHARLES C. APPLEBY, AND ENDING DEBORAH A. ROMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

ARMY NOMINATIONS BEGINNING MITCHELL L. BROWN, AND ENDING DALE P. FOSTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF E. D. ELEK, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

MARINE CORPS NOMINATION OF WADE C. STRAW, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

MARINE CORPS NOMINATION OF THOMAS J. FELTS, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

MARINE CORPS NOMINATION OF PATRICK A. SIVIGNY, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 17, 1996.

MARINE CORPS NOMINATIONS BEGINNING RONALD J. CRABBS, AND ENDING LAWRENCE R. WOOLLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MAY 22, 1996.

IN THE NAVY

NAVY NOMINATIONS BEGINNING JAMES A. CAVINESS, AND ENDING WILLIAM M. WIKE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF APRIL 25, 1996.

EXTENSIONS OF REMARKS

IN HONOR OF MRS. SALLIE LANGSETH FOR HER INDUCTION INTO THE NATIONAL TEACHERS HALL OF FAME, DEER PARK, TX

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. BENTSEN. Mr. Speaker, I rise to honor Mrs. Sallie Langseth of Pasadena, TX, who will be inducted into the National Teachers Hall of Fame in Emporia, KS, on June 22, 1996. She is one of five educators in the country being inducted into the Hall of Fame. It is a particular honor to recognize Mrs. Langseth because she was named Texas' Teacher of the Year in 1995. I cannot think of a more deserving recipient of this award.

Mrs. Langseth is the first teacher from a Texas school district to be inducted into the National Teachers Hall of Fame. Mrs. Langseth taught in the Pasadena School District from 1969 to 1972 and has since taught in the Deer Park School District. She has distinguished herself through her innovative teaching methods and her dedication to her students, and her ability to help them understand problems. Her teaching goes well beyond the classroom, including hosting study groups in her home and tutoring former students who are having difficulty with their college math courses.

Mrs. Langseth's tremendous dedication in serving her students and our community is consistent with the highest degree of professionalism. I join her students, their parents, her colleagues, and our entire community in thanking her for all that she has done for the young people of Pasadena and Deer Park. She truly belongs in the National Teachers Hall of Fame.

TRIBUTE TO HILBERT L. BRADLEY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. VISCLOSKY. Mr. Speaker, it is the belief of many that we are all put on this Earth for a reason. Mr. Hilbert L. Bradley has accomplished his mission in life after spending a lifetime working unselfishly to improve the lives of citizens in the city of Gary, as well as the entire State of Indiana. In a congratulatory celebration, the community of Indiana's First Congressional District will gather on Sunday, June 23, 1996, for a testimonial dinner to honor Hilbert. This dinner will take place at Marquette on the Lagoon in Gary, IN.

As an attorney dedicated to his profession, and a community activist dedicated to the well-being of others, Hilbert has tirelessly led the fight for equal opportunity, and civil and human rights protections for all people. He has provided legal counsel in landmark civil rights cases, as well as pro bono services for the NAACP. Hilbert is a noted trial lawyer and has had a distinguished career as a deputy prosecutor, corporation counsel, and interim judge and mediator.

In 1987, Hilbert founded the Indiana Coalition for Black Judicial Officials, and he serves as the group's general chairman today. The organization's purpose is to increase the number of black judicial officials in the State of Indiana. The Indiana Coalition for Black Judicial Officials organizes statewide public awareness campaigns which have resulted in an increased number of black referees and judges pro tem, the election of a black judge to the Lake County Superior Court, the appointment of Robert Rucker, the first African-American to serve on the Indiana Court of Appeals, Fifth District, and Myra Selby, the first female and the first African-American to serve on the Indiana Supreme Court.

Hilbert also cofounded the Fair Share Organization in 1958. Its purpose was to assure that black people receive their fair share of the fruits of American democracy. One major accomplishment of the organization was the employment of the first black managers of a major chain store, the A&P, in Gary.

Outside of the legal profession, Hilbert has reached out to several civic organizations. Hilbert's distinguished memberships include: lifetime memberships of the NAACP and the Kappa Alpha Psi Fraternity; the Urban League of Northwest Indiana; St. Timothy Community Church; Calumet Inn of Court; James C. Kimbrough Law Association; the Lake County Bar Association; the Indiana State Bar Association. He also serves as a board member for the Methodist Hospitals.

Moreover, he has received local and national recognition for having excelled in his profession. In 1994, Hilbert received the National NAACP William Ming Award, the Valparaiso University Black Law Students Association Education and Civil Rights Award, the Omega Psi Phi Inc. Citizen of the Year Award, and the Phi Delta Kappa (Beta Mu Chapter) Outstanding Service and Leadership Award. In 1992, Hilbert was inducted into the Steel City Hall of Fame, and, in 1991 and 1958, he received the NAACP Mary White Ovington Award. Hilbert is the only member to whom the Gary branch has twice presented this award. In 1990, Hilbert was presented with the Gary Frontiers Drum Major Award, the Focus 2000 Great Garyite Award, the NAACP Community Service Award, and the Tolleston Community Council Service Award.

As Hilbert reflects back on his career and community activism, he can hold his head high and be proud of his accomplishments. Hilbert is a true role model for all young professionals and citizens. Mr. Speaker, I ask you and my other distinguished colleagues to join me in honoring Hilbert Bradley for his unselfish dedication to make Indiana's First Congressional District, as well as the entire Nation, a better place in which to work and live.

ZACKY COLD STORAGE GROWTH WARMS FRESNO ECONOMY

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. RADANOVICH. Mr. Speaker, a major California poultry producer, Zacky Farms, is embarking on an expansion plan in cooperation with the city of Fresno, and I am pleased to bring it to the attention of my colleagues.

Zacky Farms is an engine of economic enterprise in my 19th Congressional District. In sharing the following article from the Fresno Bee, written by business news reporter Sanford Nax, I salute the men and women of Zacky Farms and wish them well as they grow and add value to our community.

[From the Fresno Bee, June 6, 1996]

ZACKY FARMS EXPANSION EXPECTED TO ADD 200 JOBS

(By Sanford Nax)

The latest expansion by Zacky Farms will generate 200 new jobs, with more to come as the poultry producer puts even deeper roots into Fresno.

A 75,000-square-foot addition to its Empire Cold Storage plant at East and California streets will add 13 million pounds of storage.

Also, 5,000 square feet of space is being added to the East Street turkey-processing operation in a related project, said Ken Rutledge, vice president and general manager of Zacky Farms.

Together, the two expansions will increase Zacky's local work force by about 200. The poultry processor employs about 2,400 people in Fresno and is one of the largest private employers in the county.

Many of the turkeys supplied to Zacky are raised in Fresno, Tulare, Kings and Madera counties. California is its largest market.

The expansion of the cold-storage plant should be complete in October. The addition to the turkey processing plant should be done in January.

The projects, which will total about $12 million, are among the $124 million worth of investment Zacky plans to make in Fresno in the next 20 years, Rutledge said.

Zacky operates turkey and chicken plants in Fresno, and the investments could lead to 3,400 new jobs over 20 years, city officials said.

Ruledge said an expanded freezer will enable Zacky to store all of its produce internally rather than contracting some of it out to a public freezer as it now does. The additional 5,000 square feet at the processing plant will allow Zacky to consolidate functions that are divided between two buildings, he said.

The expansions also will make Zacky's operation more energy-efficient and will reduce water consumption. ''This new equipment is very efficient,'' Rutledge said.

Zacky's ''grand plan'' in Fresno is being accomplished with help from city officials through a development incentive agreements.

In such agreements, companies get a credit for some development fees against the projected increase in tax payments. These

agreements are common with large manufacturing companies that make significant contributions to the tax base and have large work forces.

''They provide the necessary incentive to encourage expansion and relocation,'' said Bill Evans, vice president of the Fresno County Economic Development Corp.

Any program that generates new jobs is welcome in a county where the labor pool is expanding at twice the pace of job creation.

Zacky Farms began business in Los Angeles in 1928 and expanded its operations to Central California and the Fresno area in 1971.

TRIBUTE TO PICATINNY ARSENAL

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. FRELINGHUYSEN. Mr. Speaker, when ''Braveheart'' won the Oscar for best motion picture this year, everyone knew about it, because an Oscar is the top award for the motion picture industry. The Emmys, the Tonys, the Pulitzers, the Nobels, and others are just like it. We recognize these awards and immediately equate them with excellence and unparalleled achievement in a certain field of endeavor. They represent the ''creme de la creme,'' the best of the best. And when people win them, they receive well-deserved recognition.

But 2 weeks ago, a group of neighbors, friends, relatives, and peers in our community who work at Picatinny Arsenal won the top military awards for installation excellence, and no one seemed to notice. In fact, they won the top three awards, including the highly coveted President's award—an extremely rare feat in the military and one which is referred to as the Triple Crown in the hallowed halls of the Pentagon. At the ceremony, I sat next to Senator STROM THURMOND—who's served in the Senate longer than anyone else—and even he was shaking his head in amazement that one base won all the awards.

I was fortunate to have been with base commander Brig. Gen. James W. Boddie, Rockaway Mayor John Inglesino, and a group of Picatinny employees when they received the Army's top award, and I must admit it was an awesome explosion of pride. Military brass up to and including Secretary of Defense William Perry clapped long and loud, saluted time and again, and sat up and took notice of the success of Picatinny Arsenal.

The Defense Department created these awards to recognize excellence and to reward improvement in quality, performance, and productivity. The criteria that is used is exactly the same that private businesses are rated on when being judged for the prestigious Malcolm Baldridge Awards for Quality.

But what makes this achievement much more amazing is that all of this took place during what Secretary Perry called in his remarks ''the toughest times in the U.S. military.'' Indeed, several top officers told stories of the pain and reality of working in the times of base closures and defense downsizing, when both civilian and military employment rolls are being reduced.

''You can't cut excellence,'' said Lt. Col. Carl Smith, in reference to the shrinking military. Smith is a staff officer who works for the assistant chief of staff for installation management. I asked him how rare it was that Picatinny hit the grand slam of military awards. ''It is a milestone, because most of the time the larger installations—the Fort Bennings—are the top-dog winners. To have a smaller installation like Picatinny come in and win all three really is precedent-setting.''

I couldn't say it any better myself.

On Memorial Day, we'll salute and remember the men and women who gave the ultimate sacrifice for this Nation. And when we do, we often think of veterans and those who currently serve our Nation in the armed services.

The men and women at Picatinny Arsenal are these people. They build the munitions and armaments that our soldiers in Bosnia and throughout the world are using. They assure that we have the best technology and arms to keep the peace.

When I traveled to Bosnia in December and met with our troops on the eve of their deployment, I saw determination, professionalism, and a willingness to do the job. When Secretary Perry led the thundering and raucous applause to congratulate Picatinny employees for being the best of the best, I saw joy and pride of a job well done.

Congratulations, Picatinny. I salute you, and salute those who gave their lives and those who have defended our country on this Memorial Day.

ACTING TO SHAPE THE FUTURE: MACHASKEE ADDRESSES WORLD NEWSPAPER CONGRESS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. STOKES. Mr. Speaker, just recently, the 49th World Newspaper Congress gathered in Washington, DC. Using the theme, ''Vision for the Future,'' the group addressed the challenges which must be met if newspapers are to retain their vital place in the world.

One of the highlights of the World Newspaper Congress was a keynote address delivered by Alex Machaskee, the president and publisher of the Plain Dealer newspaper which serves my congressional district. Mr. Machaskee has enjoyed a distinguished career at the Plain Dealer, which spans approximately 36 years, serving at the helm as president and publisher since 1990. The newspaper has maintained a daily circulation level of approximately 400,000 and a Sunday circulation of 550,000. Among major metropolitan newspapers in the United States, the Plain Dealer ranks first in circulation penetration in the home county.

In his remarks at the World Newspaper Congress, Mr. Machaskee outlined how the Plain Dealer is meeting the current global competition. He said, in part,

> We are exploring and entering new areas to meet changing needs and a changing world. Indeed, in all that we do, we are acting to shape our future so it does not become necessary to react to save our existence.

Mr. Speaker, I am pleased to share the entire text of Mr. Machaskee's remarks with my colleagues and others throughout the Nation. It represents worthwhile and insightful reading.

ACTING TO SHAPE THE FUTURE

(By Alex Machaskee)

I want to express my thanks to Donald Newhouse, who addressed this Congress in Berlin in 1993 and ''nominated'' me to provide an update on the message he shared at that time. As you certainly know by now, this year's theme is ''Vision for the Future,'' and those of you who were in Berlin three years ago may recall that Donald conveyed his own ''vision for the future'' at that time. Donald expressed the hope that his young grandson, Andrew, and his peers will still receive their news from newspapers when they are adults. Grandfather Donald expressed another hope for the future as well—that Andrew wouldn't be his only grandchild! Well, I am pleased to report to you that Donald's vision is already coming true. First, as an industry, we are beginning to successfully address the challenges we must meet if newspapers are to retain their vital place in our world and in the world of our children and grandchildren. Second—and of equal importance to Donald—young Andrew now has a little brother, Alexander, giving Donald two grandsons!

Back in 1993, Donald talked about the need for newspapers to ''constantly reinvent ourselves,'' and he suggested five ''seismic changes'' that all of us in the industry must address. He mentioned (1) competition from mass marketers; (2) database marketing; (3) consolidation among retailers; (4) magazines and cable television focusing on narrower demographic groups; and (5) the multi-year recession which, fortunately, is now behind us. Donald cited The Plain Dealer as a case study in dealing with these seismic changes. Much of what he talked about was still in process at the time—most significantly the construction of our $200 million, state-of-the-art production and distribution center. So, Donald suggested that an update of our vision of the future might be in order.

Before I bring you up to date, I believe we all could agree that since 1993, two additional factors have had a crucial impact on our industry: the dramatic increase in newsprint prices, which have skyrocketed 55% in the United States since Donald addressed the Congress; and the intensifying competition for people's time and attention, especially from the Internet. Nearly 30 years ago, when I was promotion manager at The Plain Dealer, I told a marketing group: ''Intelligent and foresighted planning permits the marketing-oriented newspaper to act to shape its future rather than react to save its very existence.'' That message is really at the heart of the philosophy that drives us at The Plain Dealer. Throughout our organization, we are acting to shape our future—to protect our news-on-paper franchise and to ensure our role as a primary provider of information for my own grandchildren, as well as Andrew and Alexander.

When we set out several years ago to ''reinvent'' The Plain Dealer, we determined that we needed to produce a more relevant newspaper for current and potential subscribers and that we had to create the capability to provide quality color reproduction for advertisers, better sectionalizing and more zoning availabilities for target marketing. Key to the strategy we developed was the ''reallocation of resources'' from redundant manufacturing and distribution activities to areas that would improve the content of the newspaper. We knew that enhancing our core product was the most essential component of our strategy. After all, the finest facilities and technologies in the world mean nothing unless the quality of the content is there.

So we adopted the phrase ''Leadership in editorial excellence''—not only as a promotional tagline emblazoned on our trucks

but as an attitude. We invested in people, adding 75 reporters and editors at a time when other newspapers were cutting back on stall. We added or enhanced a number of editorial features and sections aimed at specific demographic targets, including minorities, women and teen-agers. We also opened three bureaus in outlying counties as part of our commitment to in-depth coverage of the 125 communities in our primary circulation area. We began to provide more local news and features, including increased coverage of scholastic sports at 176 high schools. ''News from around the world and around the corner'' became our hallmark as well as a promotional slogan.

Not only did we change our product, but we fundamentally changed the way we produce and distribute it. In the late 1980's we began a planning process to identify and eliminate contract language that was an impediment to effectively managing the work force and implementing changes in technology. Considerable time and effort were put into developing an operational change plan based on how we would operate if we had no contractual limitations and restrictions to deal with. This exercise was particularly important as we planned our new production facility. The end result of that exercise was a 33-page document that served as our guide for setting bargaining goals and objectives and for implementing and managing change over the next several years.

In two very successful rounds of negotiations, we won more favorable contract terms and phased in a program of voluntary buyouts in the manufacturing and distribution areas of our operation. The first major component of the ''reinvention'' of The Plain Dealer was the phased-in opening of 19 strategically located circulation depots, where newspapers could be trucked in bulk by our drivers for pickup by independent distributors. The distribution of newspapers to depots would allow the use of a two-part run system when the new plant opened, with classified and feature sections being printed early in the evening and main news and sports printed several hours later. The depots were all fully operational a year before the plant opened, giving us ample time to work out bugs in the system.

This transition, which included a $3.5 million conversion of our fleet, meant we had fewer trucks, going to fewer places—so we were able to reduce our driver work force by about 80 positions. Surely the capstone of our ''reinvention,'' however, was the 1994 opening of our Tiedeman Production and Distribution Center. With this plant, we now have the very latest newspaper technologies and capabilities, including electronic prepress pagination, high-speed printing and color capability throughout the newspaper.

The plant brought a high level of automation to our operation, and it resulted in a number of innovations of our own—including the only automated, cart-based loading, storage and delivery system operational in the world today. We are very proud of our facility, and grateful to our very supportive owners. We are also very proud of our people for helping to ensure a virtually problem-free startup. This was a result of the fact that, as I mentioned, we had already converted to the depot system a year earlier. It was also a result of the tremendous effort that went into planning and training.

To train our pressmen, for example, we erected two Goss press units and a folder next door to our downtown facility. Long before the new plant opened, we conducted test runs and produced live product on the new presses, easing the transition not only for the pressmen but for graphic designers and pre-press personnel as well. We went fully operational at the new plant in early April of 1994—and things went so smoothly that it was almost a ''non-event.'' The changeover happened to coincide with the similarly exciting and successful opening of a new ballpark for our red-hot Cleveland Indians in downtown Cleveland. To most of our readers, our front-page headline the next morning seemed to refer to the opening of the ballpark and Cleveland's opening-day victory: ''Just perfect,'' it said. But for us at The Plain Dealer, the headline had a second, more personal meaning.

As proud as we are of the Tiedeman facility, we know that shaping the future requires doing much more than building a new plant. That is why we are constantly ''reinventing'' and fine-tuning our primary product and the way we produce and distribute it. In the editorial area, we introduced a major graphic redesign in 1994, including not only easier-to-read body type, but a completely new headline face designed for us specifically for offset reproduction. We also continually develop additional features that target specific demographic groups. Over the past 18 months, for example, these have included weekly sections devoted to Family, Personal Finance/Personal Technology, On Campus, Driving and others, as well as Community pages twice a week.

Our teen section, which we call ''NEXT,'' was redesigned and expanded by editors who involved teen-agers extensively in the process. We also have undertaken a number of major special sections for such events as the Major League Baseball playoffs, the opening of the Rock and Roll Hall of Fame and Cleveland's bicentennial celebration.

One project we are especially proud of is ''What Makes Cleveland, Cleveland!''—48 pages of color photography featuring our metropolitan area through the eyes of our photographers. This was a very special section for several reasons. For one, it was a great device for showcasing our color capabilities and the talents of our photo staff. Even more importantly, it was great testimony to Editorial and Advertising working together. At the time, a major national retailer, Target stores, was entering the Cleveland market and was looking for a way to top off its marketing plan. Target became the only sponsor of the section, which later earned a major local advertising award as well as the National Printing Industries of America award for best four-color printing on newsprint. All in all, while color is very important, our primary focus is on creating an excellent product, day in and day out.

In ''reinventing ourselves,'' to use Donald's phrase again, The Plain Dealer is rediscovering something that the best community-oriented newspapers of the past knew and practiced—that it is possible to be an aggressive watchdog while simultaneously recognizing pride and achievement in a community. Such undertakings as ''What Makes Cleveland Cleveland'' and the extensive coverage of the Rock Hall opening and the baseball playoffs come from a newspaper that has also been recognized as a civic watchdog. Our coverage of government investment practices, for example, was credited by banking experts with forestalling an Orange County-style bankruptcy in our home county. And editorially we have been aggressive in demanding reform of the Cleveland public schools.

Our goal is to create an information resource that competitors cannot match in terms of breadth and depth. At times, we can even hold our own against television in terms of timeliness. One of the best examples of that came last fall, when the Cleveland Indians brought our city its first post-season baseball game in 41 years. Things seemed to be working against us all night—the game was delayed several hours by rain, and on top of that it went into extra innings, ending after 2 o'clock in the morning. Many Clevelanders didn't get to bed until 3 o'clock or later. But thanks to the flexibility of our plant, some latitude in our deadlines and a lot of hustle on the part of our staff and our independent distributors, most of our readers woke up just a couple of hours later to the complete game story and color action shots in *The Plain Dealer*.

The power of color is the big story in Advertising. Major retailers tell us that, without question, color ads move more product. One of the most dramatic results, in fact, came from a department store that directly linked a color ad to a 45 percent increase in sales of a particular fragrance. Timeliness of advertising, too, can be dramatically effective. One Friday night last September when the Indians clinched the division championship, The Plain Dealer had special advertising pages ready to put on the presses—*IF* the Indians won. This required reconfiguring the presses on deadline, but planning and teamwork by Production, Advertising and Editorial and the capabilities of the new plant combined to make it possible. As a result, advertisers found crowds of baseball fans waiting for their doors to open on Saturday morning. And within hours, those customers snatched up millions of dollars' worth of championship jackets, T-shirts and caps.

Advertisers are very pleased with results like these, and so are we. In fact, in retail display alone, our color ad revenues were up 17 percent from 1994 to 1995. Color revenues from national advertising, while starting from a smaller base, were up 90 percent. And classified advertisers—particularly auto dealers—are seeing the benefits of using spot and full color. But color isn't the only story, as we continually work to identify appropriate new products and services in an effort to provide marketing solutions for our advertisers. Our Marketing Database now has well over one million names and addresses, appended with a broad array of demographic and lifestyle information from quality sources. In a joint effort between Advertising and Circulation, we are working rapidly toward the day when we can actually deliver an address-specific product. In the meantime, we are constantly exploring opportunities to utilize this wealth of information to help our advertisers achieve their marketing objectives.

Over the winter, for example, we put it to use for a heating and air conditioning distributor. This advertiser was running a print and broadcast campaign focusing on the theme of cold-weather pet care, and he wanted to supplement the campaign with a direct mail piece. His target consisted of dog and cat owners with specific income and demographic criteria. Using our data base, we were able to identify more than 10,000 readers who met these requirements. In our effort to be full-service providers and to develop marketing solutions for our advertisers, we are offering new options that go beyond traditional newspaper advertising. One such option is PDQuickline, our audio-based system that puts an array of information—including information about advertisers' products and services—at callers' fingertips.

Another new product is Star Watch, a nonproprietary, entertainment-oriented publication that carries single-sheet and other inserts to non-subscribers and enhances the effectiveness of advertising in the Plain Dealer. Being a full-service provider also requires the capability to compete successfully for advertisers' commercial printing business. This is a relatively small but growing part of our business, primarily involving supermarket preprints. Speaking of supermarkets, while many newspapers have all but lost food advertising, the leading supermarket chains

in our market rank as our number-three and number-four advertisers. Our success in retaining these important advertisers is clearly a result of our ability to provide more than ''traditional'' newspaper advertising services. Circulation is an area that poses a special challenge for us, because we are in a shrinking marketplace—with a trend of outmigration of people from our core market. Even so, among major metropolitan newspapers in the United States, we rank first in circulation penetration in our home county—with 54% penetration daily and 72% on Sunday. And despite three suggested retail price increases in three years, we have maintained circulation levels of about 400,000 daily and 550,000 Sunday. This is largely a result of gearing the Circulation Division's efforts toward establishing a productive and efficient distribution system that provides both outstanding service and professionalism. Going forward, it requires building our ability to distribute an evermore narrowly targeted product.

We are also working to create an environment that enables our independent distributors to succeed, by improving communications, offering incentives and sponsoring seminars to help them run their operations profitably. And, to reduce the handling of money, we worked with Diebold Incorporated, the nation's leading maker of automated teller machines, to develop an ATM-like machine in which independent distributors can deposit their receipts at the depots. Considerable attention is being focused on single-copy sales, as well. We have worked hard over the past several years to improve our relationships with vendors and to develop the capability to determine by computer just how many newspapers should be placed at each location each day to avoid sell-outs and reduce returns. Our continuing community outreach efforts are helping us learn the concerns of various ethnic and nationality groups as well as young people, our readers of tomorrow. And within The Plain Dealer, we are working hard to get every one of our more than 1,600 employees committed to our vision of being the finest newspaper in the United States. Over the past 18 months, I have met with virtually every one of our employees, usually in groups of no more than 25 over breakfast or lunch. I have found these sessions insightful and invaluable in truly keeping a finger on the pulse of our newspaper.

As I mentioned at the outset, two significant factors have emerged during the past couple of years—newsprint costs and the Internet. In addressing these factors, it is interesting that we find ourselves dealing with ''webs'' in both cases. At The Plain Dealer, part of our efforts to reduce our newsprint consumption was a reduction in or web width this past February. The conversion went without a hitch, and the change in widths is imperceptible. Nevertheless, we expect savings of upwards of $1 million a year in our newsprint costs. The other ''web,'' of course, is the burgeoning World Wide Web. As part of our vision for the future, we formed a wholly owned subsidiary this past year that specializes in developing Internet sites. In connection with this, we are actively working with advertisers and potential advertisers to identify opportunities for increased business. For example, recently we worked with the local Auto Dealers Association to provide a web site in connection with a major Auto Show.

Our first venture onto the Internet was rockhall.com, our very successful Web site for Cleveland's new Rock and Roll Hall of Fame and Museum. The site has recorded more than 20 million ''page impressions'' since its debut last August and has been named a ''cool site'' by many publications. In addition to features about the Hall of Fame and its inductees, the site offers a link that features information on Cleveland restaurants, hotels and museums. At The Plain Dealer, our vision of the future is very clear—the newspaper will remain our core business for as long as we can foresee. In fact, with the support of the Newhouse organization we are betting more than $200 million on this vision, represented by our new plant.

On June 5, 1994, at the formal dedication of The Plain Dealer's Tiedeman Production and Distribution Center, the symbolism was reassuring: it was young Andrew Newhouse who pushed the button to start the presses! Yet, like most of you, we are exploring and entering new areas to meet changing needs and a changing world. Indeed, in all that we do, we are acting to shape our future so it does not become necessary to react to save our existence. Most of us in this room have dedicated our lives to newspapers. For us, nothing beats the roar of the presses, and we believe nothing can ever replace the depth and breadth of information newspapers present. In the current environment, however, we need to work harder than ever to ensure that newspapers remain a vital part of our children's lves—and our grandchildren's lives—as well.

NORTH CAROLINA IS HOME TO A GREAT SOCCER TRADITION

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. COBLE. Mr. Speaker, the State of North Carolina is home to a great soccer tradition, particularly in women's soccer. This year, Mr. Speaker, the Sixth District of North Carolina is proud to add two more chapters to this outstanding tradition.

North Carolina has long divided its schools into classifications to determine sports champions. That way schools of equal size can compete fairly. This system also allows more schools the opportunity to compete for titles and trophies. We are proud to say, Mr. Speaker, that the Piedmont Triad is the home of the North Carolina 1A/2A/3A and the North Carolina 4A women's soccer champions for 1996.

The Ragsdale High School Tigers of Jamestown, NC, captured the 1996 1A/2A/3A State women's soccer championship, and the Whirlies of Grimsley High School in Greensboro, NC, claimed the 4A women's soccer championship. Both teams were crowned champions on June 1 in Raleigh, NC.

In the 1A/2A/3A class, the Ragsdale Tigers captured the State title with a 3 to 0 shutout of the Asheville Roberson Rams, limiting the Rams to just four shots on goal all game. The championship win capped off a brilliant 23–3 season for coach Brien Braswell's squad. The Ragsdale Tigers have been outstanding in the championships, claiming two State titles in the last 3 years.

Congratulations go to Sarah Judy, who won the championship game's Most Valuable Player Award. Mr. Speaker, congratulations on a great season are in order for Coach Braswell, manager Joey Menendez, Trainer Julie Hutchens, and team members Cindy Mullinix, Kyleen Hudson, Kelly Martin, Kristin Wittenborn, Anna Dellosa, Jordan Allison, Erin Beeson, Paige Waggoner, Vickie Cortes, Nicole Brannan, Ashline Green, Christie Dixon, Lindsey Moorefield, Laura Pendergrass, Ryan Andres, Danielle Gain, Emily McCoy, Cari Hammond, Michelle Pizzuro, Becky Garmon, Amanda Holtzman, Meg Herndon, and Kellie Dixon.

To athletic director Mike Raybon, principal Dr. Kathryn Rogers, the faculty, staff, students, parents, and friends of Ragsdale High School, we offer our congratulations for winning the North Carolina 1A/2A/3A State women's soccer championship.

Raleigh also was the site of another Sixth District high school State championship. The women's soccer team of Grimsley high School in Greensboro, NC, captured the 1996 State 4A women's soccer championship, defeating the Raleigh Broughton High School Caps 2 to 1. The victory moved the Grimsley Whirlies to a stellar record of 21–1–1 for the 1996 season.

The State championship was the third in 5 years for the Whirlies, and the win was truly a team effort. As Coach Herk DeGraw put it, ''This one is sweet. Everybody stepped up and did their jobs extremely well.''

Congratulations go to Laurie Benson, who won the championship game's Most Valuable Player Award. Congratulations are also in order for team members Meagan Renn, Cori Stevens, Lacy Ross, Sarah Ann Davis, Mollie Lynch, Meredith Seawell, Sarah Atkinson, Mikel Casey, Kristy Shumate, Kelly Clark, Jennifer Marsh, Carrie Anderson, Jamie Bombart, Kristen Moody, Courtney Black, Jessica Overby, and Ashley Andringa.

Mr. Speaker, on behalf of the citizens of the Sixth District of North Carolina, let me congratulate the 1996 Grimsley Whirlies on their State championship. Congratulations to head coach Herk DeGraw, assistant coach Susie Williams, announcer Dick Forrester, faculty trainer Joe Franks, student trainer Pablo Torrente, and statisticians Lisa Evans, Zach Wineberg, Tyler Spence, and Mike Cleaver.

To athletic director Bob Sawyer, principal Tom Penlend, the faculty, staff, students, parents, and friends of Grimsley High School, we offer our congratulations on winning the North Carolina 4A State women's soccer championship.

Once again, North Carolina remains a soccer hotbed and the Sixth District is proud to claim two more champions.

NORTH PONTOTOC STUDENT, ABIGAIL HAMILTON, IS DISTRICT WINNER IN RESPECTEEN SPEAK FOR YOURSELF PROGRAM

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. WICKER. Mr. Speaker, more than 15,000 seventh- and eighthgrade students around the country participated in this year's RespecTeen Speak for Yourself social studies curriculum program, which teaches young people about the political process. The program is part of the Lutheran Brotherhood's philanthropic initiative in support of our Nation's youth.

One of the final lessons in the program included having students write their Members of Congress to express their views or offer solutions to issues of interest. The letters were

judged by a panel of educators and one winner was chosen in each congressional district. A seventh-grade student from North Pontotoc Attendance Center was selected as the winner from Mississippi's First Congressional District. Her name is Abigail Hamilton. Abigail wrote to me regarding prayer in our public schools.

I wanted to share Abigail's letter with my colleagues and congratulate her for participating in this program.

SPEAK FOR YOURSELF,
Ecru, MS, January 30, 1996.

Hon. ROGER WICKER,
U.S. Representative,
Washington, DC.

DEAR CONGRESSMAN WICKER: How would you feel if one day someone suddenly said you could no longer continue a tradition? Devastated? Grieved? This scenario describes what had been done to students, teachers, and the community of North Pontotoc. A tradition of student-initiated, student-led, prayer was taken from us. For approximately 20 years, we had this type prayer in our school.

On December 20, 1994, Mrs. Lisa Herdahl with the ACLU and People for the American Way filed a lawsuit against Pontotoc County Schools for having student-led, student-initiated prayer over the school's intercom. A court injunction last spring stopped prayer over the intercom. The court date deciding whether to continue student-initiated prayer is March 4, 1996 at federal court in Oxford, Mississippi.

George Washington warned: ''reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.'' Research proves the accuracy of his warning. Birth rates for teenagers and cases of sexually transmitted diseases have risen since 1962. Also, SAT test scores have plummeted for 18 consecutive years since that year. What happened in 1962? The Supreme Court took prayer out of public school with the Engel case.

I support you co-authoring the school prayer amendment with Congressman Istook from Oklahoma. Please participate in the meeting to force this amendment to the House floor, and do not allow compromises that would defeat the purpose of this amendment. I wouldn't want a government written prayer or mandatory participation in devotion. I trust you are influencing other congressmen to be co-signers of this amendment.

Our Constitution guarantees us freedom of speech and religion. However, should one person be allowed to dictate the beliefs of a community? Thomas Jefferson said: ''The will of the majority, the natural law of every society, is the only sure guardian of the rights of man.''

Sincerely,

ABIGAIL HAMILTON,
7th grader NPAC.

PRESIDENT VISITS YOUNG RESIDENTS OF HOMELESS SHELTER IN MOSCOW

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I rise to note and commend the President for taking the time during his recent trip to Moscow to meet with, and encourage the work of Alexander Ogorodnikov, a former political prisoner and founder of the Christian Mercy Society. Alexander Ogorodnikov established a private shelter for young homeless from all over Russia who find themselves on the streets of Moscow without a roof over their heads. During the Moscow G–7 Nuclear Security Summit in April, President Clinton visited a number of the residents of the shelter.

Naturally, Mr. Ogorodnikov's work has been very challenging. After 70 years of communism, the institution of private charity has been slow to make a comeback. Resources are scarce; property rights are unclear. Bureaucrats often seem more determined to stifle than assist private initiative. Criminal structures would prefer that idle hands look in the direction of criminal activity for sustenance and livelihood. Nevertheless, Mr. Ogorodnikov has persisted. His efforts have been reported and applauded by the Moscow press, and Mayor Luzkkov's office has been supportive of his work. Some international organizations are providing a measure of assistance.

As Moscow was preparing for the Summit, Mr. Ogorodnikov had invited President Clinton to visit the Christian Mercy Society shelter to observe private charity in action in Russia. This request was forwarded through the Beautiful Hearts charitable organization of Erie, PA, and by many Members of the Congress of both parties. For logistical and security reasons, the President was unable to visit the shelter itself, but Mr. Ogorodnikov and his Beautiful Hearts associates had arranged an exhibit about the shelter at a Moscow hotel where the President had other meetings scheduled. Despite the heavy demands on his schedule, President Clinton graciously visited the exhibit and met with some of the young residents.

Mr. Speaker, the G–7 Nuclear Security Summit was about providing nuclear safety in our uneasy world, about governments cooperating with one another to reduce danger to millions of people. Security can also be a function of mutual understanding and having genuine concern—even across borders—for other human beings, one for another. By visiting the young people of the Christian Mercy Society shelter, President Clinton exhibited that concern on behalf of all of us here in the United States, and I appreciate his kind gesture.

TRIBUTE TO MICHAEL STEVENS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. VISCLOSKY. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to a celebrated community servant, Mr. Michael Stevens. On Friday, June 21, 1996, Michael, along with his friends and family, will celebrate his retirement from the Iron Workers Union Local No. 395 in Hammond, IN. This retirement dinner will be held at St. Elijah Serbian-American Hall in Merrillville, IN.

We are all fortunate to have dedicated people, like Michael, involved in the labor movement in Indiana's First Congressional District. Michael embarked on his distinguished career as an iron worker in local No. 392 in East St. Louis, IL, in June of 1966. He then moved to northwest Indiana and joined Iron Workers Local No. 395 in Hammond in September 1967.

In May, 1974, he suffered from a disabling fall on the job. During his convalescence, Michael earned a degree from Mineral Area College in Missouri. Following his graduation in June 1979, he returned to ironworking out of local No. 395 in September of that same year.

In 1981, Michael was elected to the local No. 395's examining board. In 1981, 1986, and 1991, Michael was elected to represent local No. 395 as a convention delegate. In 1984, Michael was elected as local No. 395's financial secretary-treasurer and he was reelected for three more terms in 1987, 1990, 1993. Michael retired this year after 30 years as a member of local No. 395, 15 years as an officer, and 4 terms as local No. 395's financial secretary-treasurer.

I offer my heartfelt congratulations to Michael, his wife, Bonnie, and his two children, Tina and Byron. They can all be proud, as Michael has worked arduously in the labor movement to make the American dream possible for others. Mr. Speaker, I ask you and my other distinguished colleagues to congratulate Michael, who has proven himself to be a distinguished advocate for the labor movement. I sincerely wish Michael a long, happy, and productive retirement.

TRIBUTE TO WILLIAM SINCLAIR

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. UPTON. Mr. Speaker, I rise today to honor Mr. William Sinclair. Please join me in congratulating Bill as he retires after spending almost two decades as the city manager of my hometown, St. Joseph, MI. For 18 great years he has dedicated his hard work and efforts into making St. Joseph a quality city and a great a place to call home.

Bill's career in public service reaches back to 1954 when began working as a surveyor and cartographer for the city of Detroit. His time in Detroit was interrupted for 2 years by a tour of duty in the U.S. Army. After spending a few more years in Detroit, Bill lent his engineering expertise to the cities of Birmingham and Rochester before calling the west side of the State his new home.

He has also been active in other aspects of the community. Bill has served on the Twin Cities Airport Board, the Harbor Authority, and has been a fixture in the Michigan Municipal League.

Over the past 18 years, local officials, city councils, businesses, and residents, alike, have all correctly sung the praises of this wonderful civic leader. He has been a fixture in our community and an integral part of its growth. His dedication, vision, and commitment has been an important ingredient in the rebirth of the twin cities area.

Mr. Speaker, I have been lucky enough to work with Bill Sinclair on many different occasions. Time and time again I have counted on Bill for his assistance, his advice and his abundant energy. I know that though Bill is officially retiring, looking out for the best interests of the people of the St. Joseph-Benton Harbor area will continue to be a major focal point in his life. Someone this dedicated simply could not have it any other way.

Mr. Speaker, please join with me on behalf of the people of Michigan's Sixth Congressional District in thanking Bill Sinclair for 18

years of dedication to St. Joseph, MI. I wish him and his wife, Hilda, a long, healthy, and happy retirement. All the best, Bill, and thank you for all that you have done.

TRIBUTE TO JIM WEATHERS

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to honor Mr. James J. ''Jim'' Weathers. Jim answered his Nation's call to arms, served his community, and most importantly raised a family. He provided a sterling example of what we hope to accomplish and strive to be.

Jim served in the U.S. Navy during the Vietnam war. Following his naval service, he participated in the Naval Reserve. As a member of New Lothrop Post 6579 of Veterans of Foreign Wars, he served as 9th VFW District Commander and captain of the VFW State Honor Guard and was instrumental in serving the needs of veterans. He was also employed by General Motors' Buick Motor Division for 32 years, 8 years as a driver.

Jim was born in Owosso, MI, on January 19, 1944, the son of Jerome and Gladys Weathers. He was a 1964 graduate of New Lothrop High School and resided in New Lothrop most of his life. He married Glenda Walworth on November 4, 1967, and raised a family.

Jim was a member of the West Flint Church of the Nazarene. He was also a member of the New Lothrop-Hazelton Township Fire Department and the Tri-County and Shiawassee Bike Club. Jim was very active with the New Lothrop Athletic Department.

Jim's extraordinary life was cut short during a recent biking trip. His family and accomplishments stand as a testimony to his commitment to service, dedication to country, and love of family.

Mr. Speaker, I know you will join me in paying tribute to Jim Weathers for his service to his country, his community, and his family. The people of mid-Michigan will miss him dearly.

CHURCH ARSON PREVENTION ACT OF 1996

SPEECH OF

HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. HOKE. Mr. Speaker, I rise in strong support of H.R. 3525, the Church Arson Prevention Act of 1996. As a member of the Judiciary Committee I heard testimony from law enforcement officials that they do have the tools they need to effectively fight these abhorrent acts. Those resources are provided in this legislation.

As other Members have recounted, there have been over 100 church fires across the United States since October 1991. Most of these fires have occurred at predominantly African-American churches located in the Southeast. The most recent string of attacks—including two additional fires just last night—should serve as a wakeup call to every American who is dedicated to protecting our religious heritage, our commitment to free expression, and our unyielding determination to preserve law and order.

Through this legislation, we are sending a message: Racism will not be tolerated and race-based crimes will not go unpunished. The destruction of a house of worship is repulsive and those who commit such contemptible acts will be pursued and prosecuted.

Let us also send this unmistakable message to the twisted, hateful perpetrators of these heinous acts: The basic decency, tolerance, and compassion of the American people will flower in the ashes of these charred sanctuaries. And while we can never forget that there may be an ugly capacity to hate in all of us, as individuals and as collective members of society we must never tolerate those who give in to such tendencies. In many cases these beliefs and practices are embedded deep in the soul and no act of Congress will root them out. Therefore, every American must be vigilant to stamp out racism and hatred wherever it surfaces. Together we can ensure that in America, the principles of justice, equality, and brotherhood thrive in the warm glow of freedom.

TRIBUTE TO MS. IDA CASTRO

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Ms. Ida Castro, an outstanding individual who has dedicated her life to the empowerment of Hispanic women. Ms. Castro was recently appointed by President Clinton as Director of the Women's Bureau of the U.S. Department of Labor.

Mr. Speaker, Ms. Castro was born in Puerto Rico. On the island, she directed job training and job development programs. Later on she taught labor law at Rutgers University in New Jersey, and worked at Hostos Community College in my congressional district, the south Bronx, helping mothers who were receiving Aid for Families with Dependent Children become economically independent through full-time employment.

Ms. Castro has been a long-time advocate of women's issues. She has fought to improve working conditions for women, insure equal pay for equal work, incorporate employment with family needs, and increase job opportunities for women in all fields.

Prior to her appointment as Director, she worked as Deputy Assistant Secretary of Labor for Workers' Compensation programs and later as the Labor Department's Acting Deputy Solicitor. Through her new position at Labor's Women's Bureau, Ms. Castro will continue working to provide better employment opportunities for women and encouraging them to develop their full potential.

Mr. Speaker, I ask my colleagues to join me in congratulating Ms. Ida Castro for her new post as Director of the U.S. Department of Labor Women's Bureau and in recognizing her contributions to the advancement of women in this Nation.

HONORING SAM LENA

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. PASTOR. Mr. Speaker, today I rise to pay tribute to Sam Lena, a beloved public servant of southern Arizona who passed away on March 12, 1996. He will be greatly missed.

Sam Lena was born January 23, 1921, in Evergreen, LA. At the age of 20, he moved to Tucson for health reasons. For the ensuring 55 years, Sam was a distinguished member of the Tucson and the southern Arizona community. He was an outstanding softball player, and was well-known for being a strike-out ace. In one game as the pitcher for the Tucson Elks, he struck out 21 batters in eight innings. Sam was also a respected businessman and dedicated public servant.

His athletic skills and business talents gained him widespread recognition and respect throughout the community. This popularity encouraged him to move into a more formal leadership role. In 1965, he was appointed to the Arizona House of Representatives where he served two elected terms. In 1968 he was elected to the State senate where he served three terms and became a powerful force in southern Arizona politics.

From playing softball as a pitching strike-out ace to his extraordinary effectiveness as a public servant, Sam Lena infused his life with commitment and caring. He worked tirelessly for those groups and issues that were dear to him: Law enforcement, education, health care, social services, and the mentally retarded. Each of these areas benefited throughout Sam's tenure in the Arizona State Legislature, the Arizona State Senate, the Pima Country Board of Supervisors, and as the special assistant to Arizona Governor Rose Mofford while he directed her southern Arizona office.

Sam made government personal. To quote his friend and protege of many years, Pima County Supervisor Dan Eckstrom:

> Sam truly loved the many constituents that he served, from the youngest child to the oldest senior citizen. To him all people were the same. Yet, it was his special love for the indigent and disadvantaged that made him such the great community servant that he was. ''Mr. Sam,'' as he was affectionately called by many, really enjoyed being out with his people, whether it was at the Knights of Columbus Hall, Lena's Liquors, the District 10 Democratic Club meetings, at Safeway, or just on the street, Sam was very approachable, willing to listen and always ready to help. He knew practically everyone in his district and everyone who knew him, knew him first as a friend.

Sam Lena worked diligently to ensure that society's resources were available to all. But more importantly, he spoke for those who are often unable to speak for themselves: The poor, the disadvantaged, the downtrodden. In many areas of health care, services to the poor, recreation facilities, education, and services for the mentally retarded, Sam Lena's peace making ability and genius as a consensus builder made new and better programs possible.

In addition to his official duties as an elected and appointed public servant, Sam Lena was an activist for the community. Through his personal efforts on behalf of Kino Hospital, this

critically needed community facility has been kept open. As a member of the Pima County Sports Authority, Sam was instrumental in promoting sporting activities, especially spring training baseball and the building of a new southside baseball stadium.

Kino Hospital and the new baseball stadium are a small part of the legacy Sam Lena leaves this community. The greater part of his legacy is the people he helped and encouraged. ''Mr. Sam'' was a friend, a teacher, a counselor, a mentor. Many community leaders were first befriended and encouraged by Sam Lena. The spirit of community that he engendered continues to grow through those he has mentored.

Sam was always available to counsel and to talk with those who needed a caring friend. We are fortunate that this man of good morale character, simple tastes, and mild manner offered his guidance to so many others. Many were encouraged by his example to emulate these positive characteristics.

To Sam Lena's many friends, to his beloved wife, Tina, to his children, Sam, Jr., Katherine, and Johnny, and his step-children, Christine and David, to his grandchildren, Jennifer, Julieanne, Catherine, Benjamin, Matthew and Sara, to his sisters, Lily and Virginia, and his brothers Buddy and Babe, I extend my sincere appreciation for their willingness to share this great man with so many others. His life is a model for all to follow. I thank Sam Lena for being my friend and for making his city, his county, his State, and his country better for all of us.

CAREGIVERS LEND A HAND

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. KNOLLENBERG. Mr. Speaker, I rise today to honor a special person who has taken on a special task.

Livonia native Vikki Kowaleski, publisher of Caregiver Monthly, and her husband John have dedicated themselves to people who need help.

After a personal experience with the everyday rigors of caregiving in which their ideas were innovative and praised, Vikki and John decided to share their experience.

They developed Caregiver Monthly, a nationwide, Livonia-based newsletter, which is published to encourage, support, assist, inform, and exhort caregivers throughout the world.

Celebrating the first anniversary of their initial publication this month, this first year has been a tremendous success.

Dedicated to helping those who—out of need or even the goodness of their hearts—care for relatives, the elderly, or those unable to care for themselves, Caregiver Monthly focuses on helpful hints and information on many things like nutrition, long-term care, and other important health and personal tips.

Often promoting ways to make caregiving easier, Caregiver Monthly is a very important reading for our dedicated individuals who care for those who need help the most.

Congratulations, Vikki and John, and keep up the great work. Caregiver Monthly is headed in the right direction. Your commitment to caregiving, as well as our outstanding dedication are tribute to your success. It is also an important part of making our community and country a better place.

THE 100TH ANNIVERSARY OF PEACE LUTHERAN CHURCH

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. COSTELLO, Mr. Speaker, I rise today to recognize Peace Lutheran Church in Steeleville, IL. August 9, 1996, marks the church's 100th anniversary.

Their first church was built in 1896 by 27 charter members. Peace considered itself an independent Lutheran congregation affiliated with the Wartburg synod, which it officially joined in 1933. In 1950, the remaining services still conducted in German were discontinued in favor of services conducted in ''American.'' Throughout the years Peace has established a school for seventh and eighth graders, a Sunday school program, a missionary society, two children's choirs, a young women's missionary society, and a prayer group. In 1988, Peace Lutheran Church became part of the Central-Southern Illinois Synod of the Evangelical Lutheran Church in America.

Peace Lutheran Church has contributed to the life of the Steeleville community for a century. Their faith and dedication to their community remains a fine example for the people of Illinois and the country as a whole.

Mr. Speaker, on August 11, Bishop Zenker of the Central-Southern Illinois Synod will join Rev. James R. Lillie and the rest of the Peace Lutheran congregation for their 100th anniversary celebration. I ask my colleagues to join me in wishing them a wonderful celebration and hope that their next century can be as productive as the past century.

WHY CONGRESS NEEDS THE MENTAL HEALTH BENEFIT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. STARK. Mr. Speaker, I know it is not fashionable to seek perks for Members of Congress, but we desperately, desperately need one—and the country would be better for it if we obtained this benefit for ourselves.

We need the mental health parity amendment, because a majority of the Members are clearly suffering from severe mental disconnect. As an institution, we are in need of treatment.

I refer, of course, to the insanity of spending long hours trying to pass the Kennedy-Kassebaum amendment to improve health insurance coverage, while we are also about to pass Medicaid budget cuts which will effectively remove health insurance coverage from millions of Americans.

The Congressional Budget Office estimates that the Kennedy-Kassebaum bill might help about 550,000 people a year when they switch jobs or leave a job which offers health insurance and want to buy a policy of their own. It is a nice little bill and justifiably helps many worthy people. The Medicaid budget bill, on the other hand, will probably reduce Medicaid resources by a quarter of a trillion dollars over the next 6 years, and remove the guarantee of adequate health insurance from millions of children, parents, and grandparents. Thirty-seven million low-income blind, disabled, aged, and low-income children and their families are currently covered by Medicaid. Far more people will be hurt by the Medicaid cuts than will ever be helped by the Kennedy-Kassebaum bill.

If an individual pursued two such diametrically opposed actions, we'd say he was unbalanced and should seek professional help. The Senate in Kassebaum-Kennedy adopted an amendment to provide basically equal coverage of mental and physical health. I understand that that provision is being dropped. That is unfortunate. Members of Congress could use the help.

IN RECOGNITION OF THE SALVATION ARMY'S EFFORTS IN ST. LOUIS

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. TALENT. Mr. Speaker, I rise today in recognition of two outstanding programs that have made a tremendous impact on the St. Louis community: the Salvation Army comprehensive substance treatment and rehabilitation program [CSTAR] and the Salvation Army community in partnership family center [CIP]. These two organizations have worked with a consortium of businesses, service organizations, and governmental groups to provide the St. Louis community at large with invaluable homeless and drug treatment services.

The Salvation Army's CSTAR and CIP programs are part of an effort to help stabilize and empower homeless families and women with chemical dependencies so that they may help themselves. By nurturing a sense of dignity and resourcefulness, these programs enable individuals and their families to re-enter the community as participating citizens. Through the unique programming offered at each of the centers, families are given a foundation to rebuild their lives and eventually relocate into safe and affordable housing.

About a year ago, Congressman WATTS and I began to travel and visit organizations, like these, around the country. We asked the people and community leaders what they needed to run their programs more efficiently and what it would take to revitalize these impoverished communities.

All of the organizations found the Federal Government's involvement in their programs to be burdensome and intrusive. The Government made them jump through bureaucratic hoops, fill out stacks of paperwork, and follow silly, expensive, and troublesome regulations. They asked us to reduce this redtape and allow participants to enter their programs without having to comply with an abundance of requirements and to be able to run their program without being told which portions of the programs were acceptable and which were not.

Based on these recommendations and others from people we met, we introduced legislation designed to empower the institutions that provide structure, rehabilitation and order to low-income neighborhoods. The bill does this by empowering faith-based and other private groups, funding scholarships for low-income children, encouraging private investment and home-ownership, and assisting those neighborhood groups which are restoring structure to their communities.

The American Community Renewal Act allows for up to 100 renewal communities to be established on a competitive basis in both urban and rural areas. To be designated a renewal community, State and local governments would have to work together with neighborhood groups to lessen the burden of rules and regulations that hamper job creation.

There are two tenants of the bill that would directly and positively impact the Community in Partnership Family Center as well as the CSTAR program. The first is a charitable tax credit. Individuals would be able to contribute to the charity of their choice, whose mission is poverty relief, and receive a tax credit of up to 75 percent of a $200 donation. The other provision would allow renewal communities to voucherize their drug and alcohol rehabilitation programs. Participants would have the ability to choose where to receive their treatment—whether private or public. It's no great secret that private programs like CSTAR have tremendous success rates and little recidivism.

Targeting the few pillars of strength in these communities and empowering them is essential to uplifting the deterioration of our low-income communities. CSTAR, the family center, and others deserve the recognition and support from the Federal Government and I believe the community renewal bill does just that.

Mr. Speaker, it is both an honor and a privilege for me to pay tribute to these fine organizations, and commend them upon their efforts to ensure that all residents of St. Louis County have the opportunity to operate in the community as participating citizens. They are an outstanding example not only for the residents of St. Louis County, but to the Nation as a whole.

ACADEMIC HIGH SCHOOL: RANKED AMONG NEW JERSEY'S BEST

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Academic High School. Academic has consistently been ranked one of the best public schools in the State, and has been ranked one of New Jersey's top 21 best high schools by New Jersey Monthly.

At a time when some question the mission of our public school system, Academic High School is an example of what can be done with dedication and commitment to an ideal. Public schools can excel and anyone who doubts this need only take a tour of Academic High School.

Academic High School was established in 1976 as a college preparatory school for highly motivated students. Academic serves an ethnically and racially diverse population. Prospective students must undergo a highly selective screening process. This process is based on the student's elementary school performance, standardized tests, recommendations, attendance, and participation in extracurricular activities. With a student-teacher ratio of 15 to 1, every student's individual academic needs can be addressed. The faculty shows a great deal of dedication to their work. This is exemplified by the fact that 51.9 percent of the teachers hold master's degrees—well above the State average.

The students of Academic High School have consistently distinguished themselves at the Hudson County Science Fair. Academic students have won trips to the International Science Fair on a regular basis. Academic students have distinguished themselves by qualifying as National Merit semifinalists, as well as attending the Governor's Schools and the St. Peter's College Summer Scholars Program. Students also have received the New York Times' Young Citizen Award and placed first in the Kiwanis-Key Club essay contest. With achievements such as these, it is not surprising that 96.9 percent of the graduates go on to attend 4-year colleges, including the most competitive colleges, such as Harvard, Yale, MIT, and Cornell.

Despite the challenges inherent in providing quality, urban public education, Academic High School demonstrates that it can be done. Providing a quality public education takes dedicated teachers, parents, and students working together to build a community school. I want to particularly note the work of School Principal Robert J. Roggenstein, who has worked many long hours to fulfill the school's mission.

I am proud to have a school in my district that serves as a model for other urban schools. I ask that my colleagues rise and join me in honoring this outstanding school.

TRIBUTE TO THE AWARD WINNING STUDENTS OF HILLSBORO HIGH SCHOOL

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. CLEMENT. Mr. Speaker, on April 27–29, 1996, more than 1,300 students from 50 States and the District of Columbia were in Washington, DC, to compete in the national finals of the We the People . . . The Citizen and the Constitution program. I am proud to announce that the class from Hillsboro High School in Nashville represented Tennessee. These young scholars have worked diligently to reach the national finals by winning local competitions in their home State.

The distinguished members of the team representing Tennessee are: Aras Alexander, Meghan Ashford-Grooms, Allison Bradfield, Jennifer Cartwright, Andy Cheatham, Grace Cheng, Alfredo Cisneros, Hillary Condon, Lisa DeBusk, Kimberly Ewton, Marthie Francis, Blythe Gore, Corey Harkey, Eva Lea, Charles McMackin, Katie Newman, Casey O'Shea, Amanda Osteen, Austin Ray, Jamie Richards, Kristin Robertson, James Shadinger, James Shaub, Madeline Short, Eleanor Smith, Jennifer Tlumak, Emily Van Hook, Katie Walton, and Emily White.

I would also like to recognize their teacher, Mary Catherine Bradshaw, who deserves much of the credit for the success of the team. The district coordinator, Holly Brewer, and the State coordinator, Dorothy Skeel, also contributed a significant amount of time and effort to help the team reach the national finals.

The We the People . . . The Citizen and the Constitution program is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights. The 3-day national competition simulates a congressional hearing in which students' oral presentations are judged on the basis of their knowledge of constitutional principles and their ability to apply them to historical and contemporary issues.

Administered by the Center for Civic Education, the We the People . . . program, now in its ninth academic year, has reached more than 70,400 teachers, and 22,600,000 students nationwide at the upper elementary, middle, and high school levels. Members of Congress and their staff enhance the program by discussing current constitutional issues with students and teachers.

The We the People . . . program provides an excellent opportunity for students to gain an informed perspective on the significance of the U.S. Constitution and its place in our history and our lives. I wish these students the best of luck in the national finals and look forward to their continued success in the years ahead.

A TRIBUTE TO DARRELL TORGERSON

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. FAZIO of California. Mr. Speaker, I rise today to salute a decorated veteran of public education, Darrell Torgerson, on the occasion of his retirement from active service.

Mr. Torgerson has taught chemistry to students at Mira Loma High School in Sacramento for the past 30 years. Over the course of those three decades, Mr. Torgerson's rare fusion of light-heartedness and dedication to the task at hand has earned him a permanent place in the hearts and minds of countless pupils.

Mr. Torgerson is the kind of teacher in whose eyes the classroom door is never closed, and in whose ears the dismissal bell never rings. Ignoring the common standards of mediocrity, Darrell Torgerson has set the standard for this students by demanding more of himself than was ever asked. Mr. Torgerson has devoted countless hours after school to tutoring both the eager and the frustrated, has worked closely with honor students on their science papers for the International Baccalaureate program, and has coached student teams to numerous victories in various local and national science competitions. His freshman students have made their mark in Sacramento area competitions by regularly taking first place over opposing high school teams made up of juniors and seniors.

We all know that teachers are the guardians of America's future, but we don't hear enough about teachers like Darrell Torgerson, who has been a guardian angel for an entire generation of young people. I commend him on

his long and fruitful career, and I wish him the best of luck on the next stage of his life as educator.

INTRODUCTION OF THE PARENTAL LEAVE EQUITY ACT OF 1996

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Ms. NORTON. Mr. Speaker, today, I introduce the Parental Family Leave Act of 1996, a bill which will ensure that employees who choose to care for a foster child or adopt a child will benefit from the same leave policy as their coworkers who are birth parents. This bill does not mandate that employers provide leave benefits beyond existing law, but rather that if they choose to provide such benefits, they do so for all parents equitably. Because the employers involved are generally larger businesses and the number of children is small, the bill will not burden employers.

The Family Medical Leave Act of 1993 [FMLA] provides that employers must grant up to 12 weeks of unpaid, job-protected leave for adoptive, birth and foster parents to care for a new child. Although some employers go beyond the mandate of the act and provide paid leave or allow paid sick leave to be used by employees with a new child, they often extend these benefits only to birth parents and not to foster parents or parents who adopt. My bill tracks the FMLA, correcting this inequity by providing that if an employer allows additional leave benefits for the birth of a child, the employer shall provide the same leave benefits to parents of a foster child or an adopted child. Thus, my bill does not require employers to provide leave policies beyond the requirement of the FMLA, but provides only for equal treatment for adoptive and foster parents, in keeping with the intent of the original legislation.

The basis for granting parental leave to both foster and adoptive parents overlap, but the circumstances of foster parents and adoptive parents are often different. Foster children are generally older children who have been removed from their own homes. Often they are children with specific needs. Sometimes they have been abused. Thus, a foster parent will normally have a greater challenge of adjustment than a new birth parent. A foster parent must acclimate to a child who already has set habits and personality traits. The foster child is sometimes intimidated by being thrust into her new surroundings. She may have come from dangerous or perhaps life threatening circumstances. In addition, foster care systems, especially those in large cities, are in great disrepair. A recent GAO report reported disgraceful circumstances for the care of many of these youngsters, a situation that is pervasive throughout the United States. The wreckage left behind by failed foster care systems is often reflected in the lives of foster children. They clearly need their parents in their new home as much, and probably more than the newborns who are the major recipients of paid leave.

Adopted children are generally not as old as foster care children and do not generally come to their new families from troubled circumstances. However, because most adoptive parents are caring for an infant, they find themselves in a situation similar to the parents of newborns. There is no reason, therefore, to treat them differently than birth parents.

There are few foster or adoptive parents in any single workplace, guaranteeing that the effects on the employer would be minuscule in keeping with the policy of the FLMA. I urge my colleagues to support this bill to help ensure that foster parents and adoptive parents receive the same opportunity as birth parents to bond with a new child and to acclimate that child to her new family and surroundings.

ZION EVANGELICAL LUTHERAN CHURCH CENTENNIAL ANNIVERSARY

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. STUPAK. Mr. Speaker, it is an honor for me to bring to the attention of the House of Representatives and the Nation that the Zion Evangelical Lutheran Church or Ironwood, MI, is celebrating its centennial anniversary on June 22, 1996. It was 100 years ago that 20 Lutherans were drawn together by their common faith to form the Church of Ironwood, MI. Today, the congregation has nearly 600 dedicated members who are proudly celebrating the love and faith that has been shared within the congregation and the Ironwood community for the past century.

In 1896, Pastor Michael Kivi was asked to lead the small congregation. He graciously accepted the offer and began his new job for a salary of $20 a month. Thirteen dedicated pastors have served the congregation since Pastor Kivi. Currently, Pastor Francis Strong leads the members in worship and fellowship.

The congregation has been planning the anniversary festivities since 1992. ''The History of the Zion Evangelical Lutheran Church,'' a concise history of the parish, was printed last fall. An original stage play was written for the celebration entitled ''Workers in the Vineyard.'' A centennial feast is being hosted on June 22 for members and friends of the congregation.

Mr. Speaker, on behalf of all northern Michigan, and the entire Nation I would like to congratulate Zion Evangelical Lutheran Church on 100 years of faith, love, and ministry.

FATHER THOMAS PATRICK JOSEPH DOYLE, S.J.

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. BORSKI. Mr. Speaker, I rise today to honor Father Thomas J. Doyle, S.J., who will be celebrating the 50th anniversary of his ordination into the Society of Jesus on June 30, 1996.

Father Doyle, a product of the Philadelphia community, attended the Gesu Grammar School, Roman Catholic High School, and St. Joseph's Preparatory School before deciding to serve God and the community. Upon his graduation from St. Joseph's in 1933, Father Doyle entered the Society of Jesus. After performing his priestly studies in Toronto, Canada, he was ordained on June 30, 1946, by James Cardinal McGuligan. Father Doyle returned to Philadelphia to celebrate his first mass at Our Lady of Mercy Church before traveling the world as an educator, mission director, editor, and preacher.

Since returning to Old St. Joseph's Church in 1967, Father Doyle has become a pillar of the Philadelphia Community. He has served as chaplain to the Federation of Irish Societies of the Delaware Valley, the Irish Society, Legion of Mary, Knights of Columbus, and the Ancient Order of Hibernians. Father Doyle was honored as the 1992 Hibernian of the year for his selfless dedication to the community and willingness to help those in need.

Father Thomas Patrick Joseph Doyle epitomizes the Jesuit ideals. Today, I join his friends in offering both thanks and congratulations for his years of dedicated service.

CUTTING SPENDING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 19, 1996, into the CONGRESSIONAL RECORD.

CUTTING SPENDING

Despite much of the political rhetoric in Washington, Congress and the President have made significant progress on reducing the federal budget deficit. For the first time since President Truman, the deficit has been reduced for years in a row. In fact, the projected 1996 deficit ($140 billion) is less than half of the 1992 deficit ($290 billion). Compared to the size of the economy, the U.S. deficit is now lower than that of any other major industrialized nation. However, much more must be done. The challenge facing Congress is to maintain this discipline and stay the course until the deficit is erased. In past months, Congress has taken a number of positive actions.

1996 SPENDING

With my strong support, Congress recently passed the last of the yearly appropriations bills which fund basic government operations. Overall, these bills cut spending $23 billion blow 1995 levels—about 5 percent. I voted to eliminate more than 200 wasteful programs, including the Advisory Commission on Intergovernmental Relations, the modular helium reactor program, a congressional warehouse and parking lot, and many more.

LINE-ITEM VETO

With my support, Congress passed a line-item veto, and the President signed it into law. Under this provision, the President can object to any specific project or program and return it to Congress. Without a two-thirds vote in both the House and Senate, the program would be eliminated. This is an important step in efforts to block wasteful spending and ''pork-barrel'' projects. I am disappointed that the congressional leadership delayed this provision until 1997 by defeating an effort to make it effective immediately. If this had passed, even more could be saved from spending bills this year.

BALANCED BUDGET AMENDMENT

For the first time in history, the House last year approved a balanced budget amendment to the Constitution. The version that passed the House would require a ⅗ vote of

both the House and the Senate to pass an unbalanced budget or to raise the debt limit. It would allow certain exemptions in time of war or national security threat. I voted for this amendment, and am disappointed that it failed in the Senate.

DOWNSIZING GOVERNMENT

With my support, Congress voted in 1994 to cut more than 270,000 federal positions by 1999. We are significantly ahead of schedule, with more than 160,000 positions eliminated, leaving the federal workforce smaller now than at any time since the mid-1960s. We should continue this course, focusing particularly on top-heavy bureaucracies that have the bulk of their employees in Washington, D.C. It has been my personal practice each year to reduce administrative spending for government programs and agencies to lessen the opportunity for waste. During the appropriations process for fiscal year 1996, I supported many amendments to reduce overhead in certain government agencies and programs.

REFORMING GOVERNMENT PURCHASING

Too often we hear about outrageous government purchases of $600 toilet seats or $100 screwdrivers. Centralized management is often inefficient. Last year, with my support, Congress passed legislation to streamline the wasteful government procurement process. The new law reduces paperwork burdens, streamlines acquisition procedures, and cuts government purchasing costs. It encourages federal employees to act like private businesses and purchase certain supplies at a local office supply store if it saves money. It also expands the bidding process to make it more competitive and efficient.

SIX-YEAR BALANCED BUDGET

I voted for a plan to balance the budget in six years. This conservative ''Coalition'' budget asks all Americans to do their fair share with equitably distributed savings. This plan would cut spending by more than $700 billion. It reforms welfare, protects Social Security, preserves Medicare and Medicaid for the future, maintains investments in education and job training, and cuts corporate subsidies. The Coalition budget would reduce the deficit by $9 billion in 1997, $25 billion in 1998, and continue on a glidepath to a balanced budget in 2002.

Unfortunately, the House defeated this budget and passed a version that would increase the deficit in 1997 and 1998. This is the plan that was supported by House Speaker Newt Gingrich. I voted against increasing the deficit. The main difference between this plan and the Coalition budget is that the Speaker's plan borrows an additional $150 billion to expand certain tax breaks. As a result, the national debt would be billions of dollars higher in 2002 than under the Coalition budget. The Coalition budget demonstrates that it is possible to make tough budget choices while reflecting the values American cherish: responsibility, honesty, fairness, and the promise that the future will be better for our children. The problem with the budget supported by Speaker Gingrich is that increasing the national debt would leave even more of a burden on our children.

It is correct that both the Speaker's plan and the Coalition plan balance the budget on paper, but the Speaker's plan postpones 82% of the deficit reduction until after the 1998 elections. In fact, the President's separate plan makes a similar mistake. History shows that such an approach is a recipe for failure. Time and time again Congress has passed ''deficit reduction'' plans that postpone serious spending cuts for several years. My position is that we should use the Coalition approach and pay our bills now, and not just promise to pay them later. We should continue reducing the deficit, year by year, in a disciplined, methodical manner.

Unless significant changes are made, the final budget plan is expected to be vetoed by the President. Although the differences between the sides are significant, I think the American people want Congress and the President to continue negotiating to reach agreement on the budget. It is the responsibility of leaders in both parties to put aside partisan differences for the common good of the nation.

Over the past year, both the President and the congressional leadership have moved towards the Coalition budget. There is still time to unite the American people behind a tough, honest, and fair balanced budget that reflects basic American values and invests in our future. It would be a tragedy if the progress that has been made since 1992 is reversed with a budget that increases the deficit in 1997 and 1998. I will continue to urge all of my colleagues to seek a final agreement.

TRIBUTE TO HUGH B. MITCHELL, FORMER MEMBER OF CONGRESS

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. McDERMOTT. Mr. Speaker, I rise today to pay tribute to a former Member of both Houses of Congress, Hugh Burnton Mitchell. Mr. Mitchell died on June 10, at age 89, and his family and friends are gathering at Daybreak Star Center in Seattle to remember him today.

Hugh Mitchell was a true son of the Northwest, and true Democrat. His belief, that government could help people realize their dreams, was at the core of his public service. He was born in Great Falls, MT in 1907, grew up on a dairy farm, and attended public schools. After graduating from Dartmouth College, he engaged in editorial work at an Everett, WA newspaper. In 1933, he joined the congressional staff of U.S. Representative Monrad Wallgren, and extended his service on the Hill for 12 years, including Wallgren's term in the Senate.

When Wallgren was elected Governor of the State of Washington, he appointed Mitchell to serve the balance of his Senate term. Hugh Mitchell was just 37 years old when he was sworn on January 10, 1945—the second youngest U.S. Senator at the time. He was defeated for election in 1946, but was elected to the House in 1948 and served in the 81st and 82d Congresses. He was not a candidate for renomination in 1952, but mounted an unsuccessful bid for the governorship of Washington in 1952.

Mr. Speaker, our country has changed dramatically in the 40 years since Hugh Mitchell graced the floor of this Chamber, but the principle that animated his public service is timeless: that government could and should aid the people he represented. He listened to the people, and tried to put government to work for them.

Hugh Mitchell's congressional career began as World War II was ending; the country's agenda then was similar to that which faces it today in the post-cold war era. Mitchell urged conversion of America's war-related industries to peacetime infrastructure-building, both to put people to work, and to prevent a reversion to the hardships of the Depression.

America's hard-won superiority in science and technology, he believed, should be used to relieve the tensions and miseries of the war-torn world. He supported the Marshall plan for Europe, but also proposed a similar program of engagement in Asia. Had the Congress heeded his prophetic advice, we might have avoided the disastrous route that took our country into conflicts in Korea and Vietnam. ''We must make allies in Asia,'' he warned, ''or we are doomed to protracted, costly, and indecisive wars.''

His ideas about cultivating constructive cooperative relationships with Pacific Rim countries were part of the long tradition of trade and friendship among the people of the Northwest and their neighbors to the East. Our APEC program today is a culmination of the vision of Washington State advocates such as Warren Magnuson, Henry Jackson, and Hugh B. Mitchell.

Mitchell's legislative agenda also included the careful stewardship of the abundant natural resources of the Pacific Northwest. Adoption of his plan for comprehensive management of the Columbia River Valley by the Congress might have averted the ecological crisis we now struggle to overcome.

Hugh Mitchell's reputation as a far-sighted intellectual is complemented by his legendary attentiveness to the wisdom of his constituents. His civility of discourse and equanimity in the face of adversity sprang from his faith in the democratic process. His pragmatic vision of government of, by, and for the people is a legacy that enhances this body, Mr. Speaker, and I commend it to you.

AMERICA WANTS HEALTH CARE REFORM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. PACKARD. Mr. Speaker, America's wait for health care reform is nearly over. My colleagues in both the House and the Senate have reached agreement on the Health Coverage Availability and Affordability Act of 1996. This is the health care bill the American people have wanted for years.

The Republican health care reform plan is portable and affordable. Despite the extremist efforts of the Clinton administration to nationalize this Nation's private health care system, the long wait for portable and affordable heath care is over, and, it took a Republican Congress to get it done. Our plan ensures portability, fights fraud and abuse, cuts red tape, increases access, and enhances affordability.

For the first time, working Americans will be able to leave their jobs without having to worry about losing their health care insurance due to preexisting conditions. Up to 25 million Americans per year will benefit from this agreement, which eliminates preexisting condition exclusions for persons with prior health insurance coverage. An additional 4 million job-locked Americans are freed to job hunt because insurance companies will be required by law, to accept persons who had prior health insurance coverage.

This agreement fights fraud and abuse by creating new penalties against those who engage in health care fraud. It creates a national

health care fraud and abuse control program to coordinate Federal, State, and local law enforcement actions and funding is increased for investigation, reviews, and prosecutions.

To provide greater access to health care, the agreement fights discrimination in the Tax Code against millions of small, self-employed business men and women by giving them virtually the same rights as large corporations to deduct their health insurance costs. It allows tax deductions for long-term health care needs, and it allows terminally ill patients and their families to receive tax-free accelerated death benefits from their insurance companies.

The President and his liberal allies insist on perpetuating big Government policies and socialized heath care. America rejected it in 1993, and they do not want it today. The Health Coverage Availability and Affordability Act of 1996 ensures portable, affordable health care for working Americans.

It is time the Clinton liberals stop dragging their feet and came to the negotiating table.

DO NOT PUT HARD-WORKING AMERICANS AT RISK

HON. GREG LAUGHLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. LAUGHLIN. Mr. Speaker, like other Members of this body, I abhor terrorism and support ongoing efforts to reduce the spread of weapons of mass destruction. But I also want to be sure that we do not hurt hard-working Americans in our efforts to achieve foreign policy objectives. From the outset, I have been particularly concerned that enactment of this bill might hurt the citizens of the 14th District of Texas and American families throughout the country.

As the chairman of the Trade Subcommittee knows, I was particularly concerned that the bill, as reported by the International Relations Committee, could have two potentially harmful effects. First, the initial bill would have put at risk the jobs of Americans at totally innocent U.S. subsidiaries of foreign companies. Second, the initial bill could be read to apply retroactively to investment commitments made and contractual obligations undertaken many years ago.

Through the strong leadership and personal intervention of the chairman of the full committee and of the Trade Subcommittee, these concerns have been addressed. I am gratified that the unprecedented innocent subsidiary provision was dropped in its entirely. That change alone will ensure that workers in my district will not have their livelihoods affected by the actions of others that were well beyond their control. Moreover, the bill was redrafted to ensure that the long-standing principle of contract sanctity is preserved. To eliminate any possible interpretive ambiguity, the definition of investment makes clear that the legislation applies only to activities undertaken pursuant to an agreement entered into with the Government of Iran or the Government of Libya (or nongovernmental entities formed by those governments) after the date of enactment. Thus, for example, companies can continue to honor their contractual obligations under existing contracts without fear of being sanctioned. As a result, the supply of services and other subcontracts, farm-in arrangements, and the like in connection with contracts entered into prior to the date of enactment will not expose companies to potential sanctions. Similarly, companies may continue the development of oil resources as contemplated under exploration and production-sharing agreements signed long before introduction of this legislation. By addressing these legitimate concerns of the business community, our committee has preserved an important principle while reducing the likely exposure of U.S. companies and U.S. workers to foreign government retaliation.

As the administration made clear in its testimony before the Trade Subcommittee, it too shares my concerns about the potential unintended consequences of the legislation. I was pleased that the administration indicated that the bill should apply only prospectively, to future contracts and to future investments. With the bill before us today, the administration should be in a better position to ensure that hard-working Americans in the 14th District or anywhere in our great land will not be put at risk.

In closing, I wish to again commend our Committee leadership for producing a bill that maintains long-standing principles, reduces the risk of harmful retaliation, and provides the President with the flexibility needed to ensure that the American economy is not adversely affected by our pursuit of foreign policy objectives.

HONORING ''OLD'' JOE CLARK

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. ROGERS. Mr. Speaker, I rise today to honor one of southern Kentucky's country music legends, ''Old'' Joe Clark.

''Old'' Joe recently celebrated his 50th year of performing at Renfro Valley, Kentucky's premier country music venue. He has been making us laugh with his unique brand of country humor and skillful banjo-picking for the last half century. He is a true treasure of the Commonwealth.

''Old'' Joe came to Renfro Valley after entertaining folks in and around his home of Johnson City, TN. After sharpening his talents in Tennessee, ''Old'' Joe attracted the attention of Renfro Valley's founder, John Lair. And, as they say, the rest is history.

It did not take long for ''Old'' Joe's fame to spread throughout southern Kentucky. And, he was soon a part of the national country music scene. He appeare at the Grand Ole Opry and performed with some the Nation's top country stars.

''Old'' Joe Clark talents are legendary at Renfro Valley. For 50 years, he has set the standard for an entire generation of country musicians and comedians. Without a doubt, ''Old'' Joe has left his mark on the Renfro Valley community.

Mr. Speaker, I am very proud to honor ''Old'' Joe Clark on his 50th anniversary at Renfro Valley. I know that the people of southern Kentucky love Joe and appreciate his lifetime of service to entertain us.

TRIBUTE TO WENDY GUEY, 1996 NATIONAL SPELLING BEE WINNER

HON. MARK ADAM FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. FOLEY. Mr. Speaker, today, I rise to salute an exceptional student from Palm Beach County, FL, Miss Wendy Guey. At 12 years old, Wendy attends the Palm Beach County School of the Arts and was the winner of the 1996 Scripps Howard National Spelling Bee.

Not only a talented pianist and violinist, Miss Guey is also a bright, young lady who calmly spelled vivisepulture to become a national champion. To get through the early rounds, she spelled correctly—parquet, multifarious, and gesticulate. Aside from a small shopping trip, she donated $200 to her school while the rest of the prize money has been put away for college.

This was Miss Guey's fourth National Spelling Bee. In 1993, she came in fourth place at the unbelievable age of 9. This year, she came back after missing two words in previous rounds to win the championship.

Perhaps most importantly, Miss Guey has reached a level that all American students should strive to achieve. Education cannot be emphasized enough; our children need to be prepared to attain the skilled positions that will await them in the future. For the United States to compete on the international level, young individuals such as Miss Guey need to become the role models for all students.

I am proud to recognize Miss Guey for her victory as well as her parents Mr. and Mrs. Ching and Susan Guey of Palm Beach Gardens. We should all be proud to salute Wendy for her achievements and wish her the best of luck in her future endeavors.

POSTAL REFORM

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. MCHUGH. Mr. Speaker, the following letter by Postmaster General Marvin Runyon was published in the June 1, 1996 Washington Post as a rebuttal to an earlier Washington Post column calling for the creation of a Government commission to address the complex issues of postal reform. The authors of the original article—Messrs. David Ginsburg, Murray Comarow, Robert Hardesty and David Harris—argued in their guest column, ''Delivery for the Postal Service,'' that postal reform would best be addressed through the creation of a Government commission to report and analyze these important public policy issues. While I do not embrace that conclusion, I included their column in the CONGRESSIONAL RECORD of June 6.

In his rebuttal, Mr. Runyon argues to the contrary and says that the Postal Service cannot wait for results of findings of a commission. Mr. Runyon stresses that the Postal Service has begun to meet the demands of today's mail delivery and that legislative reforms are needed to keep it thriving for years to come. I will be introducing such legislation in the next few days.

[From the Washington Post, June 1, 1996]

ALREADY DELIVERING

(By Marvin Runyon)

Were the Postal Service a private company, it would be the ninth-largest business in the United States. It is bigger than Coca-Cola, Xerox and Eastman Kodak—combined. With more than 750,000 employees in all U.S. states and territories, the U.S. Postal Service is the largest civilian employer in the country—accounting for one out of every 170 U.S. paychecks. Last year, the Postal Service delivered 181 billion pieces of mail—more pieces in a day than Federal Express delivers in a year.

No doubt the complex and amazing U.S. Postal Service faces some serious challenges. But does anyone seriously believe that this calls for creating another government commission?

In their article of May 20 [''Delivery for the Postal Service,'' op-ed] four friends of the Postal Service—David Ginsburg, Murray Comarow, Robert L. Hardesty and David F. Harris—argue for just such a panel.

The fact is, the Postal Service can't wait for a commission. We've already begun to turn things around.

No tax dollars fill our coffers. And the real price of a stamp, when adjusted for inflation, is about the same today as it was in 1971. But today's Postal Service makes a profit. Last year, we earned $1.8 billion. So far, we're on track to earn between $700 million and $900 million in fiscal 1996.

In 1995 we set a record of 88 percent for on-time delivery. We expect to set a new record when new statistics are released next week. Moreover, we intend to raise our national on-time delivery average for local first-class mail to 92 percent by next year. By 2000, we are aiming for 95 percent or better, with similar improvements in other service categories.

We're also working to raise revenue and exploring the universe of technology. In the coming months, we will be launching hybrid mail services that combine the speed of computer messaging with the security and impact of the U.S. Mail. We'll also be introducing electronic money transfer services, international catalogue shopping, convenient new bill-paying methods and dozens of new services available at our 40,000 post offices.

And we're increasing service, not costs, by reengineering the way we deliver the mail. Last year, we launched a new blueprint for excellence called CustomerPerfect!, which is helping us examine how we deliver the mail every step along the way, from the back dock to the customer's mailbox. At the same time, we're working to reduce labor costs, which account for some 80 percent of our annual budget.

But more must be done. Legislative reform is needed to allow the Postal Service to keep pace with the communications business; for example, to offer business customers volume discounts and customized service contracts. We need the authority to test new products more easily and bring them to market more quickly. And we need changes that will bring labor negotiations back to the bargaining table so we can better control our costs.

The Postal Service doesn't need a commission. It needs to have the shackles of government regulation loosened so it can continue its commitment to excellence.

INS TO BE COMMENDED IN MIAMI

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. DIAZ-BALART. Mr. Speaker, the Immigration and Naturalization Service [INS], created by Congress over a hundred years ago—March 3, 1891—has been charged with the responsibility of providing services under the Immigration and Nationality Act, which among other things includes providing assistance to individuals seeking naturalization—the process by which eligible immigrants become U.S. citizens. Therefore, INS is appropriately involved in the citizenship process as an integral part and I believe that Commissioner Meissner has made significant progress in reducing the extensive processing backlogs for prospective new citizens as interest in naturalization has increased substantially during her term as commissioner.

Although I cannot speak for other portions of the country, in Miami INS has done a commendable job of moving applicants through the citizenship process expeditiously. As a part critic of INS's failure to process applications on a timely basis, I have been encouraged by the important headway INS has made in reducing the average time for completing an application.

Naturalization applications have severely outpaced the capacity of INS—from just over 200,000 in 1983 to over a million in 1955, and thousands of applications had been accumulating in Miami with a mere 22 personnel to process them. To respond to this unacceptable situation, using its own fee revenue, INS has added 158 naturalization personnel to the Miami District staff this year to handle the steadily increasing volume of citizenship applications. In the first half of this year, thanks to the additional staffing provided by Commissioner Meissner, the Miami district has been able to complete close to 30,000 N–400 applications—the standard naturalization form—which is over 1,000 more than the Miami district completed in the entire year for 1995. I have been pleased with this progress and commend Commissioner Meissner's hard work to ensure that naturalization is given the priority it merits.

Through its Citizenship USA project, INS is meeting on a monthly basis in Miami with local organizations to improve community outreach. Groups such as One Nation, the Catholic Legal Immigration Network Inc. [CLINIC], Dade County Schools and the Hispanic Coalition have worked with volunteers and local officials to help the INS facilitate its citizenship activities.

To be eligible for citizenship, an immigrant must be a legal permanent resident for at least 5 years—three if married to a U.S. citizen—exhibit good moral character and understanding of constitutional principles, demonstrate a knowledge of U.S. history/civics and basis English—unless exempted for age or disability—and must pay an application fee of $95 which funds the INS process of examining each case. Thus, naturalization is not an automatic step for every immigrant, and those individuals who have gone to the trouble and effort of playing by the rules and have demonstrated their dedication and desire to be a U.S. citizen deserve the opportunity to be processed on a timely, efficient basis by INS. Although there have been enormous backlogs in the past, I believe that Commissioner Meissner is taking important steps toward helping immigrants naturalize and take full advantage of citizenship in these great United States.

CITRUS TRISTEZA VIRUS

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. RIGGS. Mr. Speaker, northern California, with its benign temperature, is home to many agricultural products, including grapes, stone fruits, vegetables, and citrus. California has 275,000 acres in citrus groves. Roughly 30,000 to 35,000 people are employed in the citrus industry, which means ontree revenues of $546.3 million for the State of California. However, if the brown citrus aphid intrudes into our groves, everything we worked so hard for will be lost.

The brown citrus aphid is the carrier for the citrus tristeza virus or CTV. CTV is a very destructive disease that has already killed over 40 million trees worldwide and is projected to destroy 180 million citrus trees on citrus tristeza virus-sensitive sour orange rootstock in the United States, Mexico, the Caribbean, and other parts of North America. If there is even one strain of the CTV in the rootstock, it will debilitate the trees and will produce extremely low quantities of fruit. If the quantity of citrus decreases, it means millions of dollars in revenue lost for the State of California.

My colleagues in Arizona, Flordia, Louisiana, and Texas share California's understanding of the importance of the threat presented by the brown citrus aphid. If not controlled, the disease will escalate and will affect the U.S. citrus industry, possibly eliminating the United States as a major supplier of fresh fruit and juice concentrate in the world.

Congress has already made a commitment to fight the citrus tristeza virus in the fiscal year 1996 and fiscal year 1997 Agricultural appropriations bills with a $500,000 special research grant. However, I believe more needs to be done. The farm bill, passed earlier this year, created a $3 million cooperative national research initiative to control the citrus tristeza virus and the brown citrus aphid. The program would entail new research and develop technologies needed to manage the disease, provide environmentally and energy-efficient control measures, and reduce the economic losses due to the diseases caused by the CTV. Unfortunately it was not possible to fund the research initiative in this year's appropriations bill. However, if additional monies become available to the committee, I will work to ensure that the CTV research initiative is given strong consideration for funding.

AUNG SAN SUU KYI AND HER WORK IN BURMA

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. ABERCROMBIE. Mr. Speaker, today there was a ceremony commemorating the

51st birthday of Aung San Suu Kyi, the rightful leader of Burma. It highlighted the continuing repression occurring in Burma. As you know, Burma is ruled by a brutal military dictatorship which rejects the mandate of the democratic elections of 1990.

Although Aung San Suu Kyi is no longer under house arrest, the military regime has been stepping up its repressive measures against her and her party, the National League for Democracy. As the sixth anniversary of the democratic election approached, over 200 people were arrested. Recently, the regime released half of the detainees. These arrests were the latest example of the egregious human rights situation in Burma.

Aung San Suu Kyi and members of the National League for Democracy did not give in to the fear of retribution. They held rallies these past two weekends and will continue to meet.

I say to Anug San Suu Kyi, thank you for your courage and devotion to principle, you inspire all of us. You are a very courageous woman, who has endured uncomprehensible hardships. We will continue to help restore you and the rightfully elected parliament to power in Burma and end the horrendous human rights violations.

SALUTE TO THE MISSIONARY EFFORTS OF NINTH AND O BAPTIST CHURCH

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. WARD. Mr. Speaker, I rise today to salute the Ninth and O Baptist Church of Louisville, KY. This remarkable congregation led by Pastor Rodney Burnette organized relief efforts for the children of a war-torn Bosnia.

Last October, the parishioners of the Ninth and O Baptist Church organized an amazing conglomeration of ''shoebox blessings'' filled with a variety of gifts for children in Bosnia. They worked in collaboration with the Southern Baptist Foreign Mission Board administrator in Eastern Europe Bill Steele to iron out the specifics of the project. They then appealed to other churches, schools, and community organizations to donate boxes filled with toys, clothes, picture books, and candy for children of ages up to 13 years old.

More than 2,700 boxes were collected as well as over 200 cases of medical supplies and 150 cases of food. Thanks to this extraordinary church group, thousands of Bosnian children had gifts for Christmas. I would like to take this opportunity to commend them for their efforts and their commitment to building bridges of peaceful offerings to the unfortunate victims of war across the Atlantic.

TRIBUTE TO DARLENE CAROL CALVERT

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. FILNER. Mr. Speaker, I rise today to honor a great community leader who passed away last week—Darlene Carol Calvert.

Ms. Calvert dedicated her life to community service. She was active in the Unitarian Universalist Church of San Diego and in its Women's Federation and Project Freedom of Religion. She was coordinator of the Religious Rights Task Force and advisor for Planned Parenthood at her church. She served as founder and chairwoman of the San Diego chapter of the Religious Coalition for Abortion Rights and as a member of the board of directors of the Coalition for Reproductive Choice.

As a woman who had been stricken with polio at the age of 15, she committed herself to ensuring that others in similar situations could enjoy a rewarding and independent life. She was an appointee to the County Committee for Persons with Disabilities, and she lobbied for access to facilities and services for disabled persons.

With a power wheelchair, arm braces and a ventilator to provide oxygen, she lived as independently in San Diego as her health would permit—and she worked at The Access Center, a nonprofit agency that provides services for the disabled, representing her clients in their efforts to also live independently.

Despite being told often that she would never finish college or be employed, she received a bachelor's degree in social work and a master's degree in counseling from San Diego State University. She was employed in social work and chemical dependency counseling, first at Episcopal Community Services and then at the California Youth Authority. She joined The Access Center in 1993 and coordinated a program to buy adaptive equipment for people with severe disabilities.

She was honored with several awards, including the Gallantry Award by the Easter Seal Society, the Unsung Unitarian of the Year Award, the Woman of the Year Award by the Coalition for Reproductive Choice, and the Freedom of Religion Award by the Religious Coalition for Abortion Rights.

But of all the awards, the most significant was the respect and admiration of her friends, family, and community for her community involvement, her passionate advocacy for the disabled, and her desire to make the world a better place for all people with disabilities.

We seldom find a person as dedicated and brave as Ms. Calvert—those who touch us with their perseverance and optimism. My thoughts and prayers go out to her partner, Chris Shelly, to her family, and to her friends in the disabled community and in the San Diego community at large. She will be missed.

THE PART-TIME AND TEMPORARY WORKERS PROTECTION ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mrs. SCHROEDER. Mr. Speaker, we live in a disposable society. We have disposable diapers, cups, plates, utensils, gloves, needles, razors, bags, heat packs, and flashlights. We even have disposable cameras and contact lenses. But we have gone too far. We have entered the age of the disposable worker.

I am talking about the contingent work force, which is made up of part-time workers, temporary employees, independent contractors, day laborers, and others. Let me make it clear. I am not talking about teenagers flipping burgers. Contingent workers can be heads of a households. They can be old or young. But, not surprisingly, they are disproportionately women and minorities.

Employers increasingly view contingent workers as disposable. Contingent workers often provide short-term profits to employers who don't want to pay health insurance, pension benefits, unemployment insurance, and vacation and sick leave. This is not to say that there should be no part-time or temporary jobs. They provide flexibility for both employees and employers. Moreover, there are consciences employers and temporary agencies that set the standard when it comes to pay and benefits for part-time and temporary workers. But the rise in the number of involuntary contingent workers and the recent corporate purging that has taken place paint a gloomy portrait of contingent work in America.

Temporary employment alone grew 10 times faster than overall employment between 1982 and 1990. In 1982 contingent workers constituted a quarter of the labor force. And that number continues to rise.

Not surprisingly, women and minorities are overrepresented in the part-time and temporary work force. For example, the percentage of African-Americans in the temporary work force is double that of the whole work force. Moreover, two out of three temporary workers are women. Women and minority groups, therefore, suffer a disproportionate share of the drawbacks of involuntary part-time and temporary employment—lower per-hour wages than full-time workers; reduced or no employment-based health, retirement, and other benefits; and the constant threat of being released with little or no warning.

Employees who worked for Honeywell Information Systems found out the hard way. After working for Honeywell as a computer programmer for 8 years, Jimmie Ruth and the majority of her department were laid off. She was hired back as a consultant, but the change in status resulted in a loss of benefits and forced her to pay Social Security taxes. She found herself working along side her former coworkers, who had also been hired back without their benefits.

Corporations that replace full-time workers with temporary workers do it to save money. But it can often cost taxpayers money. We all pay higher health costs when uninsured workers receive expensive emergency care rather than preventative medicine. We all pay when employees without retirement plans must depend on public assistance. We all pay when families are unable to reinvest money back into the economy.

There is little proof that replacing core workers with contingent labor benefits companies. According to management research consultant Helen Axel, companies do not always save money by providing contingent employees with lower wages and fewer benefits. The productivity of companies is often negatively impacted by the high turnover rates of contingent employees. The costs and time required for training new waves of temporary employees are not compensated for by trimming wages and benefits.

Cutting jobs has become profitable in another way—fattening the pockets of CEO's. When Robert Allen, CEO of AT&T, announced 40,000 layoffs in January, he made more than $5 million as AT&T stock soared. This is in

addition to his $3 million salary. So Allen earned millions for firing thousands.

The Part-Time and Temporary Worker Protection Act address this problem. Simply put, if an employer provides health care and pension benefits to full-time workers, then they must provide partial coverage to contingent workers.

Under the bill, all employees working 500 hours or more per year receive a prorated share of health benefits under the employee sponsored group health plan based on the amount they worked. In other words, an employee who works 20 hours per week is eligible for half of the benefits of a full-time employee.

In addition, employees working 500 hours or more per year are eligible to participate in an employer-provided pension plan at the same prorated rate.

The bill also allows voluntary part-time workers to receive unemployment compensation while looking for part-time work. Currently, in order to receive unemployment insurance, a part-time worker must look for, and accept if offered, full-time work.

Another concern is the misclassification of employees as independent contractors. The Part-Time and Temporary Workers Protection Act limits the IRS's ability to waive employer tax liability for misclassifying employees as independent contractors and prevents Federal and defense contractors from willfully misclassifying employees as independent contractors.

Finally, the bill requires the Bureau of Labor Statistics to conduct an annual survey to determine the level of health and pension benefits for temporary employees, the number of jobs an individual holds, and the number of hours an individual works on each job.

I urge my colleagues to join with me in supporting the Part-Time and Temporary Workers Protection Act of 1996.

TRIBUTE TO 1996 PRESIDENTIAL SCHOLAR BRAD CONNERS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. KLECZKA, Mr. Speaker, I rise today to pay tribute to Brad Conners, who was named a 1996 Presidential Scholar. As a constituent of mine, it is a special honor to congratulate Brad and his distinguished teacher, Mr. John Burke.

Each year, only 141 students in the country are selected for the prestigious Presidential Scholar award. The competition is fierce, and those that are chosen must demonstrate excellence in academics, leadership, and school and community involvement.

Brad recently graduated from Catholic Memorial High School, where he excelled both in and out of the classroom. Namely, he finished school with an A average and was a member of the academic decathlon team. Coached by Mr. Burke, the team took second place at the State finals. Brad won individual honors, as well, with a gold medal in economics and bronze medals in both fine arts and science.

In addition, Brad participated in football, basketball, and track all through high school. In fact, this year the Catholic Memorial track team took the State championships by one-half of a point thanks to Brad's relay team in the final event. And, somehow he still found the time to coach a youth basketball team in his community.

Brad's parents, Mike and Sheila Conners, are undoubtedly very proud of their son's achievements. I share in their pride and wish Brad the best of luck in his studies at Notre Dame next year.

IN HONOR OF MARIO JIMENEZ

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join me in recognition of the great honor that will be bestowed upon Mr. Mario Jimenez of Whittier, CA.

On June 28, 1996, during the annual graduation ceremony of the university of his hometown, Huitzuco, Guerrero, Mexico, Mr. Jimenez will be named the ''Father of the Generation'' for the class of 1993–96.

Mario Jimenez, a leader of the community and a philanthropist in my congressional district, has spent many years supporting our local youth and educational initiatives. As a successful businessman in Pico Rivera, Mario has dedicated his time and resources to various programs and activities that promote excellence in education. He is a member of the Congressional Award Council, a national organization that challenges and recognizes young people in my congressional district.

In honor of the following 1996 graduates of the Centro de Bachillerato Tecnologico, I congratulate the candidates to receive a bachelor of science in electricity: Francisco Castrejon Marban, Isahi Flores Garcia, Eden Vladimir Garces Nunez, Ricardo Ernesto Garcia Castro, Jose Alfredo Jimenez Roman, Adrian Lopez Carrera, Jose Esteban Marban Salcado, Rafael Mendoza Pañaloza, Jorge Israel Ortega Figueroa, and Jorge Luis Rivera Roman y Armando Tellez Escamilla.

The following candidates are to receive a bachelor of science in fiscal accounting: Flavio Aguirre Pineda, Lazaro Alonso Astudillo, Edgar Aragon Perez, Heriberto Coronel Flores, Silberto Calindo Garcia, Marlyn Gonzalez Varga, Maribel Ildenfoso Flores, Martha Eugenia Jimenez Elizalde, Rubi Nelly Lagunas Gaytan, Suhail Lopez Garcia, Omar Marban Ocampo, Nayelli Miranda Sanchez, Celina Nieves Nieves, Adson Peralta Bautista, Alicia Rodriquez. Arellano, Claudia Rojas Aragon, and Susana Sonido Gomez.

The following candidates are to receive bachelor of science in administrative information: Nazaria Basilio Saavedra, Alejandro Casarrubias Merino, Violeta Castillo Jaimes, Elida Castro Ayala, Victor Hugo Delgado Hernandez, Antonio Elizalde AVila, Ozcar Encarnacion Jaimes, Flor Figueroa Taboada, Alfonsina Hernandez Castrejon, Matriza Hernandez De La Cruz, Armida Eliona Marban Marban, Gustavo Morales San Matrin, Henrik Adu Nava Figueroa, Andres Nery Robles, Malinal Xochitl Ocampo Cardenas, Nallely Pineda Gonzales, Lorena Rosales Franco, Rocio Segura Eligio, Juan Tabodada Ayala, Alfonso Toledo Figueroa, Isaias Valle Abrego, and Magdalena Villalva Estrada.

The following candidates are to receive bachelor of science in fiscal accounting: Yaraset Maria Alonso Cruz, Candido Barrera Vasquz, Angel Bautista Capistran, Lucero Bustos Quezada, Yaneth Alejandra Bustos Terrones, Daniel Castrejon Hernandez, Conrado Diaz Mota, Luis Alberto Elizalde Marban, Arturo Guevara Dircio, Maricela Jarez Gatica, Maria Aldegunda Lopez Hernandez, Andres Jordan Mendoza Arteaga, Rosales Maricruz Morquecho, Sandra Ocampo Santos, Yareli Perez Herta, Jesus Reza Cruz, Luis Rojas Castro, Betzavet Salinas Mateos, and Maria Del Rosario Santiaguillo Guerrero.

The following candidates are to receive bachelor of science in general medicine: Rossana Castrejon Hernandez, Belen Catalan Chavez, Fatima Janet Catalan Lopez, Sindy De Jesus Tapoya, Magnolia Elizalde Gaytan, Maribel Garcia Munoz, Juan Benito Gaytan Catrejon, Nestor Hernandez Riquelme, Luz Estela Iriarte Salinas, Selene Montanez Dominguez, Maribel Montes Juan, Graciela Peralta Marba, and Maria De La Guadalupe Soto Garcia.

GEYSERVILLE INTERMODAL/ VISITORS CENTER

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. RIGGS. Mr. Speaker, I would like to express my appreciation and support for the recognition given by the Committee on Appropriations to the value of a proposed project in Geyserville, CA, in Sonoma County. In the report accompanying the fiscal year 1997 Agriculture appropriations bill, the committee expresses its expectation that the Department will give consideration to funding this project under the rural business enterprise grants program. While the report makes reference to intermodal transportation and technical assistance requests relating to a train depot in Geyserville, one point merits clarification. In order to fully meet the rural needs of Geyserville, it is important to give equal consideration to funding the construction of a visitor's center and small business incubator, which will be constructed adjacent to the depot.

MFN STATUS FOR CHINA

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. ABERCROMBIE. Mr. Speaker, today I rise to speak out against granting China the most-favored-nation [MFN] status. For many years I have followed the human rights and business violations occurring in China. This past year we have once again seen many problems arise with China.

As my colleagues know, last month the United States customs agents arrested suspects in the United States with ties to China's state-owned munitions companies for smuggling AK–47's and other dangerous weapons into the United States. These same companies are selling nuclear weapons technology

to Pakistan and advanced missile technology to Iran.

Many people claim that if we don't grant MFN status to China that American business will be hurt. That's not true. American businesses are hurt by the Chinese Government allowing piracy of copyrighted American goods. These pirated copies are made in factories with the full knowledge of the Chinese Government. Everyone here is aware that a trade war was barely averted yesterday because the United States and China came to an agreement that is designed to crack down on Chinese piracy of compact discs and computer software.

Unfortunately, I don't think the Chinese understand that we are serious about protecting our copyrighted goods. Once again, the Chinese have only been slapped on the wrist for not abiding by agreements made. In the past, MFN status has been granted in hopes that the Chinese Government was going to crack down on the piracy problems and human rights violations. This has not happened yet.

Granting MFN to China does not encourage the Chinese Government to correct their human rights violations. Despite China's robust economy and economic reforms, there continues to be widespread human rights abuses. China still places severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, movement and worker rights. In Sunday's Post, it was noted that China's priority for the next 15 years would be to discredit Tibet's exiled religious leader, his Holiness, the Dalai Lama.

I ask my colleagues to ask themselves—Why would we want to grant MFN status to a country that continues to ignores human rights violations, continues to replicate American copyrighted goods, smuggles guns into our country, and has given nuclear technology to rogue nations? I strongly urge my colleagues to vote against MFN for China.

SIOUX FALLS MAY REPRESENT THE FUTURE OF MOTHERHOOD

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mrs. SCHROEDER. Mr. Speaker, talking family values is one thing. But in yesterday's Los Angeles Times article ''Sioux Falls May Represent the Future of Motherhood'' Melissa Healy tells us how one community is living them. The article tells how family values and working mothers are coexisting peacefully in Sioux Falls, SD, because, as Ms. Healy points out, the community, its employers and its institutions, ''are scrambling to adapt to the needs of working mothers instead of expecting mothers to adapt to theirs.'' Hats off to the Los Angeles Times and to the moms in Sioux Falls for showing us how a community can work together to help its families thrive.

[From the Los Angeles Times, June 18, 1996]

SIOUX FALLS MAY REPRESENT THE FUTURE OF MOTHERHOOD

(By Melissa Healy)

SIOUX FALLS, SD.—Marjorie Beeck, 31, grew up in small-town South Dakota, and she is not abashed about calling herself traditional. There is no trace of irony in her voice when she volunteers that she has family values; she likes to think most folks in Sioux Falls do.

So when daughter Jessica was born four years ago, Beeck made a decision that she says reflects her deep conviction that family comes first: Seven weeks after giving birth, she enrolled Jessica in day care and returned to her job as a securities broker at Citibank's South Dakota branch.

For Beeck, whose pay nudges her family's annual income just above the nation's median of $33,000, working outside the home could easily be characterized as a choice in name only. Her family needs her income if it is to afford the trappings, and opportunities, of middle-class life.

Yet there's more involved here than economic necessity. The fact is, Beeck likes her job. She likes day care too. She says it has given her children, Jessica and 7-year-old Ryan, ''things I couldn't give them at home,'' including field trips, a structured learning environment and other kids to play with—lots and lots of other kids.

Beeck could easily parlay her skills into a high-intensity, and probably higher-paying, job elsewhere. But she has chosen to stay at Citibank and in Sioux Falls in part because her employer and her community have taken pains to ease the burden on mothers who work outside the home.

''Staying here,'' she said, ''is a measure of my commitment to family values.''

Sioux Falls, in fact, might just represent the future of American motherhood.

A surprising 84% of mothers who live here are employed outside the home, according to the 1990 census. Among women with children younger than 6, a whopping four out of five are in the paid work force. In a recent national ranking of the best places for mothers to work, Sioux Falls with its population of approximately 100,000 placed first.

The reason: Local employers such as Citibank are scrambling to adapt to the needs of working mothers instead of expecting mothers to adopt to theirs. Civic leaders are mobilizing private charities an public schools to pitch in. Elected officials are doing their part, providing a model for other cities, and perhaps Washington, to emulate.

As a result, family values and working mothers are coexisting peacefully here in America's heartland.

''I don't think women have to be home to teach their children family values,'' said Liz Bute, a 37-year-old manager at Citibank whose five children have all spent their preschool years in day care. ''I think we're past that.''

While it is no simple matter for women to simultaneously keep their careers on track and give their kids the moral foundation they need, she said, it's up to ''society as a whole'' to share the burden.

That, said Bute, is part of what values are all about. And it is a responsibility that Sioux Falls is taking seriously.

SPECIAL PLACE

At a time when many Americans say they are reexamining some of the fundamental choices made by themselves as individuals—and by society as a whole—the issue of working moms occupies a special place in the national ''values'' debate.

In the mid–80s, conservative activist Phyllis Schlafly suggested that mothers who remained employed for their own self-fulfillment had contributed to adolescent suicides. As recently as 1991, then-Rep. William Dannemeyer (R-Fullerton) took to the floor of the House of Representatives to denounce the ''devastation'' that results when ''working mothers * * * put careers ahead of children and rationalize material benefits in the name of children.''

But a substantial number of working mothers, including many who characterize themselves as political and social conservatives, has rejected that argument. They work not just because they need to, but because they want to. They believe they can continue to work without jeopardizing the physical and psychological well-being of their children, particularly if they get a little help from their employers, their communities and their elected representatives.

Clearly, for women whose families can afford it, curtailing outside work can increase the quantity, as well as the quality, of their involvement in their children's lives. Evidence indicates some women are managing to do so, although their numbers so far don't add up to a significant demographic trend.

But for a majority of American women, the values debate no longer turns on the question of whether they will or won't work outside the home. They simply will, at a rate of almost seven out of 10 nationally.

In places like Sioux Falls, the values debate now turns on the question of how husbands, employers, communities and government will adapt to the reality of a society in which both mothers and fathers draw a paycheck.

''We have an economy that requires women to work and, of course, by choice, women work,'' said Fran Sussner Rogers, chief executive officer of Work/Family Directions, a Boston consulting firm. ''But we've kept our institutions and the places we work running on rules that were made for men with wives at home. And then we've had such ambivalence about whether women should work that we haven't adapted our communities to a new situation.''

The solution, Rogers said, is obvious: ''Social institutions, not individuals, need to deal with this as a values issue. Working is a necessity, and it's good for us.''

Does this mean the end of maternal guilt, and of politicians and activists who prey upon it? Certainly not. But the working mothers of Sioux Falls have a message for public figures who suggest that employed mothers are hurting their kinds and eroding the nation's values: Don't try it here.

''To tell you the truth, it kind of makes my blood boil'' to hear politicians who equate stay-at-home moms with family values, said Karla Quarve, a 31-year-old mother of a son in day care and a daughter in first grade.

An auditor at Sioux Falls' Home Federal Savings Bank, Quarve works because she likes her job. And she offers no apologies. Because she has a boss who values her and respects her family responsibilities, she regularly helps out during school and day-care field trips, and always makes it to her daughter's school ceremonies.

Although it could probably afford to do without her income, Quarve said, ''I think our family would suffer'' if she stayed home. She would be less happy, and the kids would be denied the fun of their day-care center.

''You can still instill values in your children and work,'' she said.

DRAMATIC RISE

Today, more than two out of three children have mothers who work outside the home, up from just under half in 1972. More dramatic, however, is the rise in women with very young children at home returning to work. In 1980, 38% of mothers with infants younger than 1 worked outside the home. By 1990, that percentage had climbed to 53%. Among women with preschool children, the figure has risen to 67%, from 44% in 1970.

According to a 1995 Harris Poll cited by the Families and Work Institute, 48% of married women in 1995 were bringing in half or more of their family's income, making women a significant financial, as well as emotional, pillar of their families.

The rapid rise in maternal employment has coincided with extraordinary social ferment on a number of fronts: a surging divorce rate, more children born to single moms, a drastic rise in crime, a decline in academic standards and a general sense that the nation's ethical climate has eroded. It was only a matter of time, say some, before mothers who work outside the home got blamed.

''Women have always been seen as the people who are the custodians of morals and values,'' said Caryl Rivers, co-author of the book, ''She Works, He Works: How the Two-Income Family Is Happier, Healthier and Better Off.'' ''They are seen as the people who are supposed to keep the culture tidy. So when it becomes untidy, there is a rush to say to women, 'It's your fault.'''

As a result, Rivers said, ''we're loading all the issues of modern society—drugs, crime, violence, rap music—onto the question of whether Mom is home or not.''

But it remains a subject of intense debate within academic circles whether children—and with them, society—suffer from that decision.

The early results of the most comprehensive study on the subject, released in April, appear to offer heartening news to women who work outside the home. In the first phase of a study overseen by the National Institute of Child Health and Human Development, psychologists tracked 1,300 families from a child's birth to 15 months. They found that the security of the bond infants form with their mothers is largely unaffected by their having been left in the care of others.

Behavioral scientists have long surmised, though not yet established, that a weak trust relationship between a mother and her infant often marks a child for future trouble. But the study found that only in cases where the mother is judged to be insensitive to a baby's needs does day care—especially extensive day care or poor-quality day care or a succession of day-care providers—adversely affect an infant's attachment to its mother.

A 1993 survey by the Education Department also reflects favorably on working mothers. The study gauged parental involvement in their children's school life—a strong predictor of student behavior and in turn, student achievement. It found that mothers in the workplace are, overall, more likely to be involved in their children's school life—going to plays, volunteering in classes, organizing fund-raising or school functions—than mothers who are not employed.

GOVERNMENT HELP

When it comes to working moms, many Americans appear willing to abandon their customary caution about the wisdom of out side intervention.

In a pool conducted in January 1996 as part of a National Issues Convention sponsored by the University of Texas at Austin, 80% said they believe that government should help with child care and preschool would be a ''useful step in strengthening the family.''

The Clinton administration and its Democratic allies on Capitol Hill have tried to seize upon such views in their efforts to shore up the party's values credentials. Arguing, for instance, that half of all low-wage workers in America have children, Clinton officials have pressed for a boost in the minimum wage, sought to stave off Republican efforts to restrict the earned-income tax credit for low-income families, and endorsed legislation to make women's pensions more comparable to men's.

''We as a society cannot and should not separate family values from economic values,'' said Labor Secretary Robert B. Reich. ''And what is the most important family value? The ability to keep your family in shelter, food and clothing.'' On Capitol Hill, Rep. Cynthia McKinney (D-Ga.) is pressing legislation to create a more generous tax credit than currently exists for day-care costs incurred by families with annual incomes ranging from $20,000 to $80,000.

Many in the GOP have sought to improve access to day care as well, especially as a corollary to welfare reform, which would allow states to require recipients to go to work.

Republicans have added $4 billion to bolster welfare recipients' access to day care, and legislation by Rep. Constance A. Morella (R-Md.) would expand poor women's access to day care by providing additional tax credits.

For middle-class parents, Republicans have argued that the broad design of their policy priorities is family-friendly: By balancing the budget, cutting taxes and reducing the deficit, they argue, Republicans would return more money to families, which they could use as they see fit.

WORKPLACE CHANGES

While politicians look for legislative remedies, women increasingly are voting with their pumps and work boots and rubber-soled uniform shoes.

In places like Sioux Falls—a tight labor market in which working mothers enjoy considerable clout—mothers are doing more than merely hoping their kids will not be adversely affected. They are commanding changes in the ways that employers and the community operate, making the care of children easier and higher in quality, and making vital family time better, both qualitatively and quantitatively.

Sioux Falls' largest employer, Citibank, subsidizes a day-care center for its employees just across a grassy field from its sprawling campus. The firm's corporate culture is consciously pro-family. Supervisors try to accommodate the needs of their largely female work force, offering flexible working hours, insurance for part-timers, and a hotline offering employees advice on everything from breast feeding to balancing career and family.

Easing the burden on employed mothers is a challenge the Sioux Falls community is working to shoulder as well. The Sioux Empire United Way spends 20% of its funds to help provide day care, compared with a national average of about 9%. The Sioux Falls public schools have switched many of their parent-teacher conference times to evening hours, and family physicians like Dr. Jerry Walton have altered their hours so they can see many of their youngest patients, with parents in tow, after the standard workday.

Privately funded before- and after-school programs serve 600 children throughout the Sioux Falls school district, with sliding-scale fees for children from lower-income families. The school district has launched a summer-care program that combines learning and fun, and fills the vital child-care gap that working parents of school-age kids find during the summer months.

''We don't take the place of parents, no one could do that,'' said Dennis Barnett, president of Sioux Falls' Volunteers of America, and organization that funds three day-care centers in the city. ''But we are partners with parents in teaching some of these values we would all expect in our children. In many cases, parents choose to have that kind of partner in raising their children.''

Some in Sioux Falls would take the concept of partnering with working parents even further.

Mark Britzman, a psychologist and 35-year-old father of two, is laboring to create the Circle of Hope Family Enrichment Center, which he calls a ''one-stop shopping center for families.''

Britzman's center would provide day care with a holistic twist: When a child is enrolled, his or her family would undergo a family assessment, designed to identify areas of strength and weakness, and would agree to volunteer a certain amount of time to the program.

For families, and especially for stressed-out working mothers, he says, the family enrichment center would be a place to ''relax and connect'' with an extended network of neighbors and other helpers.

TOP ENVIRONMENT

Sioux Falls recently topped a list of cities with the friendliest environment for working mothers, compiled and published by the women's magazine Redbook. Some observers caution that the city is still far from nirvana for employed moms and their families. Wages for both men and women remain quite low—part of the region's draw to big corporations like Citibank.

For all their growing economic clout in their families and the community, professional women here still react coolly to feminist rhetoric.

Yet it may be that Sioux Falls and other communities like it represent the best available synthesis of our culture's traditional commitment to family and mothers' increasing commitment to work.

''There's a quiet revolution going on in this city,'' said Susan Randall, development director of Turning Point, a social service agency that works with troubled children.

''There are still the trappings of traditionalism, but the reality is very different.''

TRIBUTE TO STEPHEN R. BRASWELL

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, I rise to recognize and honor the retirement of the esteemed Vice President and Chief Ethics Officer of The Prudential, Mr. Stephen R. Braswell.

Mr. Braswell began his career with The Prudential in Jacksonville, Florida in 1963. He held a wide variety of positions before rising to the position of Vice President of Prudential's Group Insurance Department. In 1975, he was transfered to Prudential's Government Relations Division in Washington, DC where he was responsible for Prudential's federal government relations. Mr. Braswell spent five years, working with Congress, the White House, Federal Regulatory Agencies, and the National Trade and Business Organizations. In 1981 Mr. Braswell was named President of Southwestern Operations in Houston, Texas with overall responsibility for ten southwestern states. He also served as Senior Vice President in charge of Human Resources and as President of the Prudential Property and Casualty Company for four years. Mr. Braswell ends his years of service from the New Jersey headquarters as the Senior Vice President and Chief Ethics Officer of The Prudential.

Mr. Braswell has been personally involved in the communities in which he has lived. He served as President of both the Jacksonville, Florida and Houston, Texas Mental Health Associations. He also has acted as Vice Chairman of the Metropolitan YMCA Board and served on the Board of Trustees of the Rice Center, while he was a resident of Houston.

His commitment to excellence and dedication to service clearly extend past the realm of his professional commitments. His involvement is admirable.

The retirement celebration honoring Mr. Braswell's many years of service will take place on the twenty fourth of June. Mr. Speaker, please join me in thanking Mr. Braswell for 33 years of service and devotion to the Prudential.

TRIBUTE TO STELLA PODBELSKI KUKULSKI

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. PALLONE. Mr. Speaker, I rise to pay tribute to Stella Podbelski Kukulski of Sayreville, NJ, a valued and cherished member of our community who recently passed away.

Stella Kukulski lived her entire life in Sayreville. She served with distinction as a valued employee for Sunshine Biscuit in Sayreville for 17 years before her retirement in 1981 and as a supervisor for the Marion Dress Company in South River, NJ, where she worked for 40 years. For her involvement in community service, Stella Kukulski was well respected and admired. She served as a member of the Sayreville Saint Stans Seniors Club, the Sayreville Senior Citizens Thursday Club, and as a charter member of the Union of Polish Women Group 81. Her deep faith and generosity was consistently demonstrated as a communicant of Our Lady of Victories Roman Catholic Church in Sayreville, and as member of its Rosary Society.

As a testimony to the high esteem in which Stella Kukulski was held, the New Jersey General Assembly enacted a resolution, introduced by Assemblyman John Wisniewski who represents Sayreville in the State legislature, paying tribute to the memory of Stella Kukulski and extending profound sympathy and sincere condolences to her family.

Mr. Speaker, I am honored to join in paying tribute to Stella Kukulski, an exceptional person who will be deeply missed by all those who knew her.

TRIBUTE TO RALPH MILTEER

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, this evening a retirement dinner is being held in honor of Ralph Milteer. Mr. Milteer is ''a man for all seasons.'' He has spent all of his adult life helping others. When I think of achievers, Ralph is always on my list. His achievements have benefited him personally but more importantly, they have benefited many, many New Jerseyans.

Ralph Milteer is a product of the East Orange, NJ, school system where he attended elementary and high schools. After graduation from Montclair State College Ralph returned to the system as a teacher. For 36 years, he has been affiliated with the same school system in many different capacities. He has been a classroom teacher, a counselor, a coordinator, a director, an administrative assistant, and an assistant principal during his career.

Ralph believes in being prepared and has spent a great deal of his life attending school. He has done a great deal of graduate work and received his Master's degree from Newark State College Graduate School. Coursework at the NASA Center is also a part of his résumé. Ralph has used his experience in the classroom in a great deal of his community work where he has been active in many recreation programs.

Ralph's love of the communities he serves is evident in his work in East Orange and in his hometown of Hillside, NJ. He has been active in the Citizens' Advisory Committee of the Hillside Board of Education, a member of the Hillside Board of Education, and president of the Hillside Democratic Club. Realizing that he could serve his community better from an elected position, Ralph was elected to the Hillside Township Committee where he has served as the Finance Commissioner, the deputy major and major of Hillside for two terms.

Mr. Speaker, I am sure my colleagues will want to join me as I offer my congratulations to Ralph Milteer and extend my best wishes to him and his family for a happy, active and healthy future.

STOP SUBSIDIZING CHINA'S MILITARY FORCES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. GILMAN. Mr. Speaker, today I have introduced H.R. 3684, which prohibits the importation into the United States of civilian and military goods produced, manufactured, or exported by the People's Liberation Army [PLA] or any Chinese defense industrial trading company. I strongly urge my colleagues support of this initiative which will deprive the PLA and its subsidiaries of the hard currency that supports activities which are inimical to U.S. economic and national security interests.

Two Chinese Government defense firms have been implicated in the largest assault weapons smuggling operation in United States history. Some of the heads of these firms, which sought to smuggle over 2,000 AK–47 semi-automatic weapons into the United States, are relatives of China's top leadership.

Moreover, the PLA and the defense industrial trading organization are responsible for a series of events which are a threat to vital United States interests, including; the recent belligerent gestures toward Taiwan during the first democratic elections in Chinese history; the transfer of cruise missiles to Iran, M–11 missiles and nuclear technology to Pakistan and the purchase by China of SS–18 strategic missile technology and equipment from Russia; the violation of United States-Chinese textile agreements and intellectual property rights [IPR]; and the flagrant human rights violations in the form of the occupation of Tibet, the maintenance of political prisoner camps known as Laogai and the repression of the religious freedom of Chinese Christians. Finally, let us not forget the repression wrought by the PLA on the democratic protesters in Tainamen Square.

Accordingly, enactment of this bill will curb the activities of the PLA which threaten our economic and national security and are an affront to our form of government and free society. Accordingly, I urge my colleagues to cosponsor and support H.R. 3684 and ask that the full text of H.R. 3684 be printed at this point in the RECORD.

H.R. 3684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY

(a) FINDINGS.—The Congress makes the following findings:

(1) According to the Defense Intelligence Agency, the People's Liberation Army of China owns and operates a number of enterprises which produce both civilian and military products.

(2) The General Staff Department of the People's Liberation Army owns and operates Polytechnologies, which is the weapons trading arm of the People's Liberation Army and has a representative office in the United States.

(3) The General Logistics Department of the People's Liberation Army owns and operates a large international conglomerate known as Xinxing Corporation, which also has a representative office in the United States.

(4) The People's Armed Police, which is partially controlled by the People's Liberation Army, is responsible for the occupation and suppression of dissent in Tibet and the execution of prisoners throughout China, and provides guards for the forced labor camp system in Laogai, China, owns and operates China Jingan Equipment Import and Export, which also has a representative office in the United States.

(5) These and other enterprises owned by the People's Liberation Army regularly export a great variety of products to the United States, including, but not limited to, clothing, toys, shoes, hand tools, fish, minerals, and chemicals.

(6) The export of products allows the People's Liberation Army to earn hard currency directly, which in turn can be used to modernize its forces.

(7) The average consumer in the United States is unaware that products they are purchasing were produced by the People's Liberation Army.

(8) Trade with the People's Liberation Army effectively is a subsidy of military operations of the People's Republic of China.

(9) The China National Nuclear Corporation exported illicit nuclear technology to Pakistan in contravention of the Treaty on the Non-Proliferation of Nuclear Weapons and the Arms Export Control Act, thereby contributing to the threat of nuclear war on the Indian Subcontinent.

(10) Naval units of the People's Liberation Army have committed aggression against the Republic of the Philippines and threatened the United States Navy's right of free passage in the South China Sea.

(11) Chinese defense industrial trading companies have transferred cruise missiles to Iran, thereby threatening the safety of United States military personnel in the region.

(12) Representatives of China North Industries Corporation, a Chinese Government organization, have been indicted by the U.S. federal government for smuggling of firearms and conspiracy related thereto, importation of firearms without a license, importation and sale of firearms with obliterated

serial numbers, and transfer and possession of machine guns in violation of the laws of the United States.

(13) Representatives of Poly Group, a Chinese Government organization, have also been indicted for engaging in the unlawful activities described in paragraph (12).

(14) Representatives of China North Industries Corporation attempted to sell solid rocket fuel to Iraq in the fall of 1990, contrary to a number of actions by the United Nations Security Council.

(b) POLICY.—It is the policy of the United States to prohibit the importation into the United States of goods that are produced, manufactured, or exported by the People's Liberation Army or Chinese defense industrial trading companies.

SEC. 2. PROHIBITION ON CERTAIN IMPORTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no good that is produced, manufactured, or exported by the People's Liberation Army or a Chinese defense industrial trading company may be entered, or withdrawn from warehouse for consumption, into the customs territory of the United States.

(b) DETERMINATION OF CHINESE DEFENSE INDUSTRIAL TRADING COMPANIES.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), not later than 30 days after the date of the enactment of this Act, the Secretary of the Treasury shall determine which persons are Chinese defense industrial trading companies for purposes of this Act. The Secretary shall publish a list of such persons in the Federal Register.

(2) PUBLIC HEARING.—

(A) GENERAL RULE.—Before making the determination and publishing the list required by paragraph (1), the Secretary of the Treasury shall hold a public hearing for the purpose of receiving oral and written testimony regarding the persons to be included on the list.

(B) ADDITIONS AND DELETIONS.—The Secretary of the Treasury may add or delete persons from the list based on information available to the Secretary or upon receipt of a request containing sufficient information to take such action.

(3) CHINESE DEFENSE INDUSTRIAL TRADING COMPANY.—For purposes of making the determination required by paragraph (1), the term ''Chinese defense industrial trading company''—

(A) means a person that is—

(i) engaged in manufacturing, producing, or exporting, and

(ii) affiliated with or owned, controlled, or subsidized by the People's Liberation Army, and

(B) includes any person identified in the United States Defense Intelligence Agency publication numbered VP–1920–271–90, dated September 1990, or PC–1921–57–95, dated October 1995.

(c) EFFECTIVE DATE.—Subsection (a) shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 45th day after the date of the enactment of this Act.

SEC. 3. DEFINITION.

For purposes of this Act, the term ''People's Liberation Army'' means any branch or division of the land, naval, or air military service or the police of the Government of the People's Republic of China.

A TRIBUTE TO COACH GALEN JOHNSON, JR.

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. DUNCAN. Mr. Speaker, I recently had the privilege to attend a ceremony in Blount County, TN during which Coach Galen Johnson, Jr. was recognized a one of the leading high school basketball coaches in the country.

Coach Johnson made Porter High School a State basketball power for over a quarter of a century. He had a phenomenal record of success over the years. His overall record consisted of 735 victories, averaging more than 30 wins per season.

Settling for nothing less than 100 percent from his players, Coach Johnson led Porter High to three State championships in 1959, 1963, and 1967. In addition to these championships, his teams were in contention for several other titles as well.

I request that a copy of the State of Tennessee House Joint Resolution No. 543, a resolution to congratulate Coach Galen Johnson, be placed in the RECORD at this point so that I can call it to the attention of my colleagues and other readers of the RECORD.

TENNESSEE HOUSE JOINT RESOLUTION NO. 543

A Resolution to honor and congratulate Coach Galen Johnson, Jr. on the Porter Elementary School gymnasium being named in his honor.

Whereas, the Tennessee General Assembly was pleased to learn that one of the greatest high school coaches of all time, Galen Johnson, who made Porter High School a state power for a quarter of a century, will be specially recognized by having the Porter Elementary School (which used to be Porter High School) gymnasium named in his honor; and

Whereas, his phenomenal record of consistent success as a High School Basketball Coach from 1955 to 1979 has rarely been equaled; and

Whereas, his teams compiled an exemplary overall record of 735 victories and 167 losses, an enviable winning percentage of .815; and

Whereas, his teams won an average of 28 games per season and won 20 or more games for 24 consecutive years, a national record; and

Whereas, his Porter High School teams won three State Championships in 1959, 1963 and 1967, finished State runner-up twice in 1969 and 1978 and third in the State twice in 1964 and 1971; and

Whereas, Coach Johnson guided teams to the State Tournament an incredible 18 to 21 years; and

Whereas, he took teams to the regional tournament 23 of 24 years and placed either first or second in 20 of those 23 years; and

Whereas, his teams never finished lower than second place in the district; and

Whereas, Coach Johnson was chosen District Coach of the Year seven times; and

Whereas, he coached 18 All-State players, including two who were later named AAU All-Americans; and

Whereas, Coach Johnson spent 45 Years as an Active Coach, including his last four as an Assistant Coach at Maryville College; and

Whereas, in 1990 Coach Johnson received the highest honor that a Tennessee Coach can receive when he was named a member of the Tennessee Sports Hall of Fame; and

Whereas, team members, students, parents, fans, sports writers and even opponents have lauded his numerous significant contributions to the Porter High School athletic program and to high school basketball in general, using a long list of appropriate adjectives including ''great'', ''mentor'', ''character builder'', ''one of a kind'', ''determined'', ''expert'', ''professional'', ''outstanding'', ''adept'', ''hard worker'', ''awesome'', ''extraordinary'', ''role model'', ''winner'', ''one of our best and brightest'', ''tremendous poise under pressure'', ''dedicated'', ''diligent'', ''rare'' and ''acclaimed''; and

Whereas, it is fitting that we pause in our deliberations to honor and congratulate Coach Galen Johnson and commend him for his service; now, therefore, be it

Resolved by the House of Representatives of the ninety-ninth general assembly of the State of Tennessee, the Senate concurring, That we honor and congratulate Coach Galen Johnson on the Porter Elementary School Gymnasium being named in his honor and wish him well in his future endeavors; be it further

Resolved, That an appropriate copy of this resolution be prepared for presentation with this final clause from such copy.

THE CATHEDRAL-SECOND BAPTIST CHURCH: DEDICATED TO SERVING PERTH AMBOY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. MENENDEZ. Mr. Speaker I rise today to honor the Cathedral-Second Baptist Church and its work in rebuilding the historic New Jersey city of Perth Amboy. The cathedral's latest contribution to Perth Amboy is the opening of the Donald Hilliard, Jr., Community Affairs Complex. It will open on June 22, 1996.

The Cathedral-Second Baptist Church has a long, proud history of service. Founded in Perth Amboy in 1892, it has provided the residents of the city with a place to congregate and celebrate for over 100 years. Its membership has increased from 125 to over 4,000, and it now offers spiritual, moral, and emotional support in 9 different neighborhoods. The Cathedral-Second Baptist Church provides a number of services, including education through its Cathedral Preparatory Academy, aid to the homeless through its many soup kitchens, and opportunities for community growth through its multimillion dollar Cathedral Community Development Corp. The cathedral and its members continuously display a rich faith, a strong sense of community, and remarkable altruism.

The Rev. Doctor Donald Hilliard, Jr. exemplifies the cathedral's commitment toward building a better community. An esteemed scholar and lecturer, he serves as the senior pastor of the Cathedral-Second Baptist Church. Under his leadership, the church has increased its budget from $73,000 to $3 million and has become one of the fastest growing churches in New Jersey. His Vision 2000 plan provides a food pantry, soup kitchen, and clothing distribution center for the underprivileged in Perth Amboy.

The latest contribution of the Cathedral-Second Baptist Church to the community is the Donald Hilliard, Jr., Community Affairs Complex. The facility includes a senior citizens hall, library, computer center, conference rooms, administrative and executive offices,

and three retail stores. It promises to be a wonderful addition to the area.

This new 38,000 sq. ft. edifice is a testament to the ongoing goodwill of the Cathedral-Second Baptist Church and the deep faith and charity of its members. I am proud to have such a devoted organization in my district and ask my colleagues to join me in recognizing its achievements.

TRIBUTE TO GUSTAVO MONTANO ARRIOLA

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. FARR of California. Mr. Speaker, I rise today in recognition of a highly acclaimed cartoonist and cultural advocate who recently announced his retirement. Gustavo Montano Arriola, known to most as Gus, is the creator of the famous cartoon ''Gordo.'' For more than 44 years he maintained a large and faithful following while introducing an American audience to Mexican customs and traditions.

Mr. Arriola began animating directly after high school at Screen Gems, then with Columbia on ''Krazy Kat.'' He pursued his art working in the MGM Cartoon Department on the story sketch of the cat and mouse series ''Tom and Jerry,'' then created the incomparable ''Gordo'' strip.

Mr. Arriola has earned many awards and honors which exemplify his great contributions to society. In 1957, ''in recognition of his pioneering and bringing design and color to a 'new high' in the field of newspaper comic strips,'' he was awarded a distinguished artist citation by the San Francisco Artists Club. Mr. Arriola was also honored with the Citizen of the Year award from Parade of Nations, Inc., which stated, '' 'Gordo' exemplified the positive attitudes and educational efforts that best produce intercultural understanding.'' The California State Assembly and Senate awarded Mr. Arriola with a great honor from the people of California by declaring a ''Gus Arriola Day,'' thus, immortalizing this great man.

Mr. Arriola was also awarded two National Cartoonist Society awards, both in 1957 and 1965 for best humor strip. In addition, he was honored by the Smithsonian Institution in Washington, DC, for his tribute to author Rachel Carson.

Mr. Arriola has also contributed his artwork to support numerous community causes. He has lent his creative talent to the Alliance on Aging, Beacon House, Carmel Art Association, Carmel Foundation, Carmel Public Library Foundation, Community Hospital of the Monterey Peninsula, Crosby Golf Youth Center, Friends of Sunset Foundation, Guide Dogs for the Blind, Hospice of the Central Coast, Monterey History and Art Association, Monterey Jazz Festival, Monterey Peninsula Museum of Art, Ombudsmen, Pacific Grove Art Association, Pacific Grove Museum of National History, Red Cross, Salvation Army, and the Society for the Prevention of Cruelty to Animals. He is a humanitarian willing to help people by contributing his influential work to their issue.

In response to a question about his retirement, Mr. Arriola quotes from the late writer and naturalist John Burroughs stating: ''I still find the days too short for all the thought I want to think, all the books I want to read, all the walks I want to take and all the friends I want to see.'' I continue to wish the best for Gus Arriola, who I know is finding new and creative ways to make his mark on the world.

CHURCH ARSON PREVENTION ACT OF 1996

SPEECH OF

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. DEUTSCH. Mr. Speaker, I rise today to voice my outrage over the arsons that have destroyed over 110 churches across the country. These vile and cowardly acts threaten our constitutional right to worship freely and safely. H.R. 3525 is a good first step in preventing these heinous attacks on religious freedom. In my opinion, however, it is just a first step and there is far more this body can and should do.

Mr. Speaker, the deliberate burning of churches, synagogues, and mosques constitutes a national emergency, and stopping the fires should be our top priority. Every means available to us should be put to use, including the use of the National Guard. We need to make available increased funding and resources for our law enforcement agencies so that they may be better able to prevent and solve these acts of hatred. It is essential that we create a national clearinghouse to monitor, compile, and scrutinize information relating to these fires. Furthermore greater support and funding for watchdog groups needs to be made available.

We need to encourage the establishment of a national dialog on the impact and prevention of these depraved acts. It is only through increased cooperation and strict enforcement will be able to prevent future attacks on our sacred places of worship.

I encourage my fellow Members of Congress to stand together with the American people and tell those who are perpetrating these crimes that we will not be victims of their hate and cowardice.

TRIBUTE TO GRAMERCY NEIGHBORHOOD ASSOCIATES

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mrs. MALONEY. Mr. Speaker, I rise today to pay tribute to the Gramercy Neighborhood Associates which has done so much to improve the quality of life in the Gramercy Park neighborhood of my district.

The Gramercy Neighborhood Associates is primarily involved with the area from Park Avenue South to Third Avenue, and from 17th Street to 22d Street. Thanks to the hard work of the staff, members, and sponsors who make all of the association's work possible, GNA has become a model for a community-based organization.

GNA works to beautify the neighborhood by holding a clean & green day each spring. Also, the association plants and maintains sidewalk trees and tree-garden fences. GNA keeps in touch with the needs of the neighborhood by holding monthly board of directors meetings at which key local issues of safety, traffic, sanitation, and quality of life are discussed and acted upon.

The Gramercy Neighborhood Associates also plays a vital role in the preservation and protection of the Gramercy Park Historic District, and is presently seeking the designation of extensions to the historic district as well as the landmarking of individual buildings of architectural, cultural, or historic merit in the area.

I am proud of the hard work that the Gramercy Neighborhood Associates has put into the community. Mr. Speaker, I ask my colleagues to join with me today in tribute to the Gramercy Neighborhood Associates and all of the hard work that they have done to improve the qualify of life in our community and throughout the city of New York.

THE CROSS IN THE WOODS

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. STUPAK. Mr. Speaker, and Members of the U.S. House of Representatives, it is an honor for me to bring to the attention of this body and the Nation the 50th anniversary of the founding of Cross in the Woods being celebrated on June 23, 1996. The Cross in the Woods is the largest crucifix in the world and is located in Indian River, MI. Made of bronze and redwood and weighing 14 tons, it stands 55 feet high and is 22 feet wide.

The idea for Cross in the Woods began in 1946 when Rev. Charles Brophy, a young priest from Cheboygan County, succeeded in having State officials transfer to Cheboygan County the 13 acres of Burt Lake on which the cross now stands. Once obtained by the county, Reverend Brophy purchased the site from the county for $1.

In 1954, the cross was raised and sculptor Marshall Fredericks began his work of designing and sculpting the crucifix. This is unique to most crucifixes in that it depicts Jesus Christ without a crown of thorns and missing the wound to his side. It was the intention of Mr. Fredericks to have a crucifix showing that Jesus Christ was at peace with his beliefs and the sacrifice he made by dying on the cross.

Over 200,000 citizens from across the country visit the cross annually. In addition, the current pastor at the cross, Rev. Donard Paulus maintains a mailing list of over 20,000 people who receive regular newsletters keeping interested parties informed of ongoing events.

Also located on the grounds is a chapel where services are held weekly that regularly attract a capacity number of parishioners and visitors. Plans are underway for the construction of a church that would provide a view of the cross and other statues located on the grounds.

Mr. Speaker, the Cross in the Woods reminds us that God's ways are opposite of our own human ways. As the cross was a symbol of death in the Roman Empire, it is now a symbol of victory in our faith. For it is said in Romans 8:38–39:

''For I am sure that neither death, nor life, nor angels, nor principalities, nor things present

nor things to come, nor powers, nor height, nor depth, nor anything else in all creation, will be able to separate us from the love of God in Christ Jesus our Lord.''

A TRIBUTE TO W.E. NASH

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. DUNCAN. Mr. Speaker, Professor W.E. Nash, a great Tennessean, recently passed away at the amazing age of 108.

Professor Nash was a longtime teacher and principal in Athens, TN. He was a dignified and honorable man who embodied all the old virtues that seem sometimes to be in short supply today.

Professor Nash was one of the most respected citizens of McMinn County, TN and was loved by many people. He was a community leader for more than seven decades and was active throughout his life in the Republican Party.

I request that a copy of the article about the life of W.E. Nash which appeared in the Athens Daily Post-Athenian be placed in the RECORD at this point. I would like to call it to the attention of my colleagues and other readers of the RECORD.

[From the Daily Post-Athenian, Apr. 29, 1996]

PROFESSOR NASH DIES AT 108

W.E. Nash, who rose from humble beginnings in Virginia to become an education and community leader in Athens for more than seven decades, died Friday at his home. He was 108.

Nash, known as ''Professor Nash'' throughout his distinguished career, served 28 years as the principal at the county's school for black students, J.L. Cook School, retired in 1953 at the age of 66.

Among his numerous awards were membership in the Community Builders Hall of Fame and the receiving of an honorary doctorate degree from Tennessee Wesleyan College. He was also the first recipient of the E. Harper Johnson Community Relations Award from the Tennessee Education Association.

Local leaders hailed Nash's commitment to education and his influence.

Vant Hardaway, supervisor of attendance and transportation for the Athens City Schools, said Nash's influence extended beyond the immediate Athens area because Cook School included students from as far away as North Carolina. Nash's commitment to education and values continue to have effect today, he said.

''It's a great loss to so many people because he affected so many lives,'' Hardaway said.

Residents in the area still refer to the discipline and the values they learned from men like Professor Nash and others, Hardaway said. Even in later years when Nash was unable to be active physically, Hardaway said leaders still looked to him for guidance.

''He still would give advice and counsel,'' Hardaway said. 'He lived through a real merger of cultures, not just in Athens but definitely in Athens.''

J. Neal Ensminger, editor emeritus of The Daily Post-Athenian, said the Athens area owes a debt of gratitude to Nash.

''This community doesn't realize how much it owes to Professor Nash,'' Ensminger said, praising Nash for being a ''stalwart citizen in education and public affairs.''

Nash, a native of Lunenburg County, VA., told The Daily Post-Athenian in an 1985 interview he recalled leaving a plantation at the age of 4 where his grandmother had worked as a slave cook and had stayed on after the Civil War. He kept his baby sister until he was 8-year-olds, then worked until he was 17.

In 1904, he was making 50 cents a day hauling supplies in a mule-drawn wagon when he passed by Blackstone Academy the day the white students were leaving for Christmas vacation.

''They were coming down this walk that led from the school house,'' Nash recalled in the 1985 interview with Fran Ellers, a DPA staff writer at the time. ''They had horns they were blowing—they were just having a good time, to tell you the truth. . . . I said, ''That looks good. I'd like to be into something like that.''

Nash was referred to the all-black Thyne Institute in Chase City, Va., where a student could work his way through school. At the age of 17, he walked 23 miles to Thyne and entered the first grade.

Nash graduated in 10 years and had his application in hand to become a Pullman porter when he was called home to care for his ailing mother. The black residents of his hometown organized a private school and paid Nash to become the teacher.

Later, he won a scholarship from Knoxville College, where he also ran the work program in the afternoons and served as night watchman from 10 p.m. to 3 a.m. It was at Knoxville where he met his future wife, a registered nurse named Willa Mae Pearson.

After graduating in 1922 at the age of 34, Nash came to Athens to lead the black Athens Academy, funded by the United Presbyterian Mission Board in Pennsylvania. The academy burned down in 1925 and Nash was considering other job offers, but community leaders asked him to stay and he agreed.

Construction of the county-funded J.L. Cook School began in 1926, and the school opened Nov. 12 that year with Nash as the principal. The school begin with 150 students, and eight years later the enrollment was at 375 students from McMinn and surrounding counties, including some from as far away as North Carolina.

Nash worked at recruiting students, adding courses and developing an ''on-the-job training'' program. He also set up a type of employment office through the school, and during the Great Depression he gave the test that qualified Athens men to participate in the Works Progress Administration job corps.

Nash recalled in the 1985 interview that although black schools weren't high on the McMinn County Court's priority list, he had a friend, Judge E.B. Madison, who supported his efforts.

''I would say, 'Judge, now we need badly two more rooms,'" Nash said. ''He said, 'Well, how much are you going for?'"

Nash would tell him, and Madison would write a resolution and sign it. Nash, then, would take the resolution from judge to judge until he got nine signatures to secure the approval for the addition.

After retiring as Cook's principal in 1953, he remained active in the community. He was an elder of First United Presbyterian Church, a member of Boaz Masonic Lodge No. 318 and a board member emeritus of Cedine Bible College.

In 1985, he headed the list of local dignitaries invited to sit on the platform at the McMinn County Courthouse during President Ronald Reagan's visit to Athens. He was featured in numerous newspaper articles throughout the region and also received recognition on national television programs.

Nash was preceded in death by his wife. Local survivors include his niece, Zelma McClure, and his nephew, Walter Nash, both of Athens.

Funeral services will be held Tuesday at 3 p.m. at First United Presbyterian Church in Athens with the Rev. Charles Johnson officiating. M.D. Dotson and Sons Funeral Home in Athens is in charge of the arrangements. Complete funeral arrangements are included on Page 2.

In the 1985 interview with The DPA, Nash recalled the influence of his mentor, Booker T. Washington, and the ''Let down your bucket where you are'' speech delivered in Atlanta, Ga., in 1895.

Nash said he took Washington's advice to heart because he could have left Athens many times.

''But there's good water here,'' he said. ''Real good water.''

HONORING PARTICIPANTS OF THE 47TH INTERNATIONAL SCIENCE AND ENGINEERING FAIR

HON. BOB MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to a group of New Jersey students for their participation in the 47th International Science and Engineering Fair [ISEF], held recently in Tucson, AZ. I want to particularly note the accomplishments of two Jersey City students, Archna and Vandna Prasad, both juniors at Academic High School in Jersey City.

The twin Prasad sisters were honored at the fair for their scientific research projects. Archna's research project focused on crustacean and mollusk shell purification systems, which are a natural solution to heavy metal contamination in water. For her efforts, she won a 4-year scholarship to the University of Arizona and three third-place awards. Vandna's research project was centered on the removal of trichlorethylene. For her efforts, Vandna took third-place in the engineering category and a $1,000 award.

I am proud to have such brilliant, dedicated, and hard working students in my district. As a Nation we must be prepared to compete scientifically in the 21st century. With students like Archna and Vandna, I know our country is in good hands for the future. These accomplishments are even more noteworthy because these students were among more than 1,071 participants who presented 989 projects. The participants came from all over the United States and from 40 countries around the world.

I also want to commend the Jersey Journal for enthusiastically sponsoring the Hudson County Science Fair. The fair has become an important showcase for our young scientific achievers. Sponsoring a local event, and sending champions to the national competition demonstrates the Journal's strong ties to the Hudson County community, and I want to thank them for their commitment.

Archna and Vandna have spent many hours working on these projects, and they are a credit to New Jersey and our Nation. I salute them today and wish them much luck in their future endeavors.

TRIBUTE TO DR. KARL PISTER

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. FARR of California. Mr. Speaker, I rise today to pay tribute to a scholar who has pursued excellence in the academic world for his entire life. Dr. Karl Pister first entered the undergraduate program at the University of California at Berkeley more than 50 years ago and is today being honored as chancellor of the University of California at Santa Cruz, a position he has held for the past 5 years.

Dr. Pister first began teaching immediately after he received his Ph.D. in theoretical and applied mechanics in 1952. He began as assistant professor and in the Department of Civil Engineering at Berkeley and after 10 years was promoted to professor in 1962. For the following 18 years, he also served as vice chairman and chairman of the Division of Structural Engineering and Structural Mechanics. He was appointed dean of the College of Engineering, at Berkeley, on July 1, 1980, and led the school to be recognized as one of the Nation's outstanding schools of engineering.

Dr. Pister has been the recipient of numerous prestigious awards. He was twice selected as a Fulbright Scholar, first, in the Department of Mathematical Physics, University College, Cork, Ireland, and then in the Institute for Statics and Dynamics of Aerospace Structures, University of Stuttgart, West Germany. He also was awarded the Wason Medal for Research by the American Concrete Institution, and in 1982, was the recipient of the University of Illinois, Urbana-Champaign, College of Engineering Alumni Honor Award for distinguished service in engineering. In 1988 he was presented with the Vincent Bendix Award for minorities in engineering by the American Society for Engineering Education, and in 1993 he was bestowed the highest honor by the society, the Benjamin Garver Lamme Medal, for his contributions to engineering education. He also was the recipient of the Distinguished Alumni Award from the Engineering Alumni Society of the College of Engineering, University of California, Berkeley.

Dr. Pister has also served the University of California in many other ways. He held the position as chairman of the committees on Senate Policy and Educational Policy of the Berkeley Division of the Academic Senate, and also served as chairman of the University Committee on Education Policy. From 1978 to 1980 he was vice-chairman and chairman of the nine-campus Academic Council and Assembly of the Academic Senate and faculty representative to the board of regents of the University of California.

Dr. Pister is also a member of numerous engineering academies and associations. He is a member of the National Academy of Engineering, and is a fellow of the American Academy of Arts and Sciences and the American Academy of Mechanics, the American Society of Mechanical Engineers and the American Association for the Advancement of Science. Dr. Pister is also an honorary fellow of the California Academy of Sciences.

He currently serves as chairman of the board of directors of the California Council on Science and Technology and is a member of the board of directors for the Monterey Bay Aquarium Research Institute and the board of trustees of the Monterey Bay Aquarium Research Institute and of the board of trustees of the Monterey Institute of International Studies. Pister also serves as chairman of the board of Engineering Education and is a member of the Coordinating Council for Education of the National Research Council.

In addition to my honoring of Dr. Pister's numerous accolades and accomplishments, I would also like to pay tribute to a man of great character. He has made a commitment to a continued vision to lead and a compassion to listen in order to best contribute to the advancement of science and the advancement of our society and Nation. I wish him well in his future endeavors.

TRIBUTE TO VIRGINIA O'TOOLE BAILEY

HON. WILLIAM H. ZELIFF, JR.

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. ZELIFF. Mr. Speaker, let me extend my sincerest congratulations and gratitude to a wonderful woman who is retiring today after a very fulfilling and successful career. Mrs. Virginia O'Toole Bailey has been serving the community of North Conway, NH, for 17 years as the John Fuller Elementary School Nurse.

Over the last 17 years, Mrs. Bailey has provided an invaluable service and has established a strong bond with North Conway and surrounding communities. Mrs. Bailey has looked after and taken care of our children's playground cuts and bruises when we, as parents, could not be there. She has been the security blanket that so many young people need at such a young age.

For all these reasons, I would like to thank Mrs. Virginia O'Toole Bailey on behalf of myself, the students and staff of John Fuller Elementary, the parents, and the town of North Conway for 17 great years of caring and dedication. I also offer my gratitude as a Representative of New Hampshire and I am sure I speak for all my colleagues here in Congress when I say congratulations. Mrs. Bailey will be greatly missed at John Fuller Elementary School.

TRIBUTE TO LAWRENCE B. ALPORT

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. VISCLOSKY. Mr. Speaker, it gives me great pleasure to rise today to pay tribute to a celebrated community servant, Mr. Lawrence B. Alport. On Monday, June 24, 1996, Lawrence's friends and family will gather to celebrate his installation as president of B'nai B'rith District 2. The installation banquet will be held at The Radisson Hotel at Star Plaza in Merrillville, IN.

Since he first joined the organization in 1980, Lawrence has proven to be a great leader within B'nai B'rith. For the past year, Lawrence served as president-elect, as well as a member of the board of governors. Lawrence also served for 3 years as vice president. Lawrence currently serves as vice-chairman for B'nai B'rith's international Community Volunteer Service, and he has held this position for 9 years. Previously, Lawrence served on B'nai B'rith's Membership Cabinet, Fundraising Cabinet, and Leadership Cabinet. In addition, Lawrence served as the president of the Indiana State Association for B'nai B'rith. For B'nai B'rith's America Lodge No. 90, Lawrence served as president, vice-president, secretary, and treasurer.

We are all fortunate to have dedicated people, like Lawrence, involved in the community of Indiana's First Congressional District. In addition to his involvement with B'nai B'rith, Lawrence is a board member of Hoosier Boys Town. He also served as a board member for Northwest Indiana Family Services where he was president for 3 years.

Professionally, Lawrence is the president of David Lawrence Enterprises, Inc., a company he founded in 1993. David Lawrence Enterprises specializes in energy conservation and indoor air quality equipment for manufacturers.

B'nai B'rith is the world's oldest and largest Jewish organization with members in 55 countries. B'nai B'rith has been in existence for over 150 years. District 2 consists of eight surrounding States including Indiana, Kentucky, Ohio, Kansas, Missouri, Wyoming, Colorado, and New Mexico. Locally, B'nai B'rith America Lodge No. 90, which covers all of northwest Indiana, sponsors several community events. Lodge No. 90, which has a B'nai B'rith youth organization, has taken children to baseball games and sponsored a brotherhood essay contest for elementary and junior high students. Lodge No. 90 has also sponsored a teddy bear drive to help acquire teddy bears for hospitals.

I offer my heartfelt congratulations to Lawrence and his wife, Jane Harper Alport, on the eve of his installation as president of B'nai B'rith District 2. They can be proud as Lawrence works hard to preserve Jewish culture while improving the quality of life for Indiana's First Congressional District. I sincerely wish Lawrence a long, happy, and successful term.

LEGISLATION DISAPPROVING THE NRC FROM LOCATING A NUCLEAR WASTE FACILITY

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. ABERCROMBIE. Mr. Speaker, I rise today with other concerned Members of Congress to introduce legislation which amends the Nuclear Waste Policy Act of 1982 to prohibit the licensing of a permanent or interim nuclear waste storage facility outside the 50 States. Specifically, this bill would preclude the Nuclear Regulatory Commission from issuing a license for the storage of radioactive waste or spent nuclear fuel in any of the U.S. territories. Senator DANIEL AKAKA has already introduced a companion bill, S. 1878, in the U.S. Senate.

I have grown increasingly troubled by statements and presentations that have been made by a New York City investment firm, KVR, Inc., that earlier this year made an offer for Palmyra Island, an atoll of more than 40 islets

1,000 miles south of Hawaii. Initially, it was reported that KVR. Inc. talked about using Palmyra for scientific research and hotel development of some kind. However, recent events make it evident that KVR, Inc. wants to use Palmyra for a repository of radioactive waste.

KVR, Inc. has been circulating draft legislation among the administration and Members of Congress to locate a radioactive waste site on a Pacific atoll. According to representative from KVR, Inc. Palmyra is on a short list of candidate sites being considered.

I want to state for the record that I am unequivocally against this initiative.

In order to locate the site at Palmyra the draft legislation waives compliance with the National Environmental Policy Act in regard to the preparation of the environmental impact statement and the Clean Water Act to dredging.

Siting a radioactive waste facility is a serious matter. The environmental consequences cannot be ignored. For too long the Pacific community has been used as a nuclear dumping ground. The United States tested nuclear devices in the Marshall Islands, and we are all having to deal with the enormous costs associated with these tests. More recently, the Government of France conducted a series of nuclear tests at the Moruroa and Fangatauga atolls in the South Pacific, which was opposed by over 160 nations.

Mr. Speaker, my bill is preemptive strike against proposals to designate a radioactive waste site in the Pacific. KVR, Inc. attempts to achieve a laudable goal but at an enormous cost. I want to advise my colleagues that any attempt to go forward with the KVR, Inc. proposal will be vigorously and vehemently opposed.

MASS EVICTION UNIQUE TO SMOKIES

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. DUNCAN. Mr. Speaker, I thought the following recent article from the Asheville Citizen Times about the formation of the Great Smoky Mountains National Park might be of great interest to some of my colleagues and many readers of the RECORD.

MASS EVICTION UNIQUE TO SMOKIES

(By Clarke Morrison)

As a birthday gift on an August day in 1970, Glenn Cardwell drove his 85-year-old father back in time to a place that had been their home.

The sight of the beautiful cove, absent the farmsteads and families that once dotted the rolling landscape, prompted a pained recollection of the forced exodus that cleared the way for the Great Smoky Mountains National Park.

''He said the thing he hated most was losing our neighbors,'' Cardwell said of his father, Bill, who died a few months after the visit. ''You can buy a farm anywhere, but tearing up your community does something to your spirit.''

The Cardwells lived at the mouth of Greenbriar Cove near the park's northern boundary, and so were among the last to have their land condemned by the government. They watched as friends and relations moved on.

''They went different directions where the winds of interest were blowing,'' said Cardwell, a supervisory park ranger who will retire in September. ''Some to Virginia, some to Georgia . . . Ten families went to New Mexico. My sadness was watching them leaving us. I remember a lot of them hugging my mother and father and crying.''

This mass eviction distinguishes the Smokies, home to farms and communities for more than 100 years, from all but a few national parks. For other major parks such as Yellowstone, Congress merely carved them out of lands already owned by the government. And for the most part, these were places where no one wanted to live anyway.

But land in the mountains of Western North Carolina and eastern Tennessee was owned by hundreds of small farmers and several large timber and paper companies. The Smokies was the first national park to be created totally from privately owned land.

Quite understandably, the farmers didn't want to be pushed out of the family homesteads where they had lived and tilled the soil for decades, and the companies were reluctant to abandon their timber reserves, miles of railroad tracks, systems of logging equipment and villages of employee housing.

There were an estimated 1,200 to 1,400 families that had to be moved out, said Tom Robbins, a park ranger and historian who gives programs at the Oconaluftee Visitors Center near Cherokee.

''Obviously there were hard feelings all the way around, and still are,'' he said. ''People were uprooted.

''Some people tried to look at it from a positive standpoint, particularly those who had farms that were sort of played out. But plenty of people had no desire to sell, but had no choice. It was particularly hard on some of the older people. They figured that was where they were going to die and be buried.''

SEEDS OF THE PARK

The idea of a public land preserve in the Southern Appalachians started in the late 1800s, and by the early 20th century the federal government was under pressure to make the concept a reality.

The strongest supporters were based in Asheville and Knoxville, Tenn., and the two groups were competitors over the location of the park. Finally they put aside their differences and agreed it should be in the heart of the Smokies, halfway between the two cities.

The movement was spurred in large part not by conservationists, backpackers or fishermen, but by motorists. Members of newly formed auto clubs wanted good roads through beautiful scenery on which they could drive their cars.

LEGISLATION APPROVED

In May of 1926, President Calvin Coolidge signed a bill that provided for the creation of the Great Smoky Mountains National Park and Virginia's Shenandoah National Park. The legislation allowed the U.S. Department of the Interior to assume responsibility for a park in the Smokies as soon as 150,000 acres of land had been bought.

But the government was not allowed to buy land for national parks, so boosters had to turn their attention to raising money. In the late 1920s the legislatures of North Carolina and Tennessee each appropriated $2 million for land purchases, while individuals and groups contributed another $1 million. But by 1928, the price of the land had doubled and the fund-raising campaign came to a halt.

Finally the needed funds were in hand when a major foundation endowed by John D. Rockefeller pledged $5 million.

However, even with the money in hand, actually acquiring the land proved a tedious task. There were some 6,600 tracts that had to be surveyed, appraised and their price haggled over. Many times, the land had to be condemned in court.

It was tough for many to leave their homes and their ways of life. Some, particularly if they were too old or sick to move, were allowed to remain under lifetime leases. Others were granted shorter leases, but they could not cut timber, hunt or trap.

The park's first superintendent arrived in 1931. Three years later North Carolina and Tennessee transferred deeds for about 300,000 acres to the federal government, and Congress authorized the development of park facilities.

Standing at the Rockefeller Monument at Newfound Gap on the North Carolina-Tennessee line in September 1940, President Franklin Roosevelt formally dedicated the Great Smoky Mountains National Park.

THE PARK'S DEVELOPMENT

By then, much of the early work to develop the park had been accomplished by the Civilian Conservation Corps, an agency formed during the Depression to provide work for the legions of unemployment.

At its peak in the late '30s, the CCC had more than 4,300 young men building roads, trails, stone bridges and fire towers, the park's first campgrounds, as well as the Oconaluftee Visitor Center on the North Carolina side and the park headquarters in Tennessee.

''There wouldn't have been any early development of the park without the CCC,'' Robbins said.

Work on the park stopped in the early 1940s when America entered World War II, and the National Park Service's budget was cut drastically.

Robbins said the Smokies and the country's other parks saw no significant funding until the mid-'50s when Congress infused the agency with new money for a major, 10-year recovery program.

And the Smokies benefited. It was during that time that the observation tower on Clingmans Dome and the Sugarlands Visitor Center were constructed. Campgrounds and other facilities were renovated.

Since then, it's been a matter of maintenance. Little new has been built in the park over the past 30 years, and the old structures become more worn and in need of repair with each passing year.

WALTER MERCADO: HE MADE A DIFFERENCE IN THE HISPANIC COMMUNITY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Walter Mercado, an icon of the Nation's Latino community. For 26 years, Mr. Mercado has worked tirelessly and selflessly to bring his message of peace, hope, and love to millions of his followers throughout the world and to the Latino community, in particular. I am pleased to note that he will visit my hometown, Union City, on June 21, 1996.

Walter Mercado was born in Puerto Rico. During his youth, he had a great yearning for knowledge. He immersed himself in the arts, studying Spanish dance, ballet, painting, voice, recitation, oratory, music, and acting. Later he came to New York to study under the legendary acting teacher Sanford Meisner. He went on to become one of Puerto Rico's most celebrated and distinguished actors.

After pursuing his studies, Mr. Mercado decided to devote himself to helping others. He made extensive trips throughout the world. Through his top-rated television show on Univision, numerous books and public appearances, Mr. Mercado has raised the quality of millions of lives with entertaining, helpful advice on matters of health, family, love, and finance. In addition, he has been involved in numerous charities because of his concern for the well-being of the community and the world. Mr. Mercado has given special attention to the betterment of children's lives everywhere.

Mr. Mercado combines a flamboyant, outgoing nature with a genuine concern for people. He is not afraid to be outlandish, but he is also sensitive enough to care about his audience. Perhaps, he is so popular, because his audience knows that behind the showmanship is an entertainer with a heart of gold.

It is an honor to have such an outstanding and considerate individual visit my district. Walter Mercado demonstrates the positive influence one person can have on the lives of many. I ask my colleagues to join me in recognition of Walter Mercado, a remarkable man.

PERSONAL EXPLANATION

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. GALLEGLY. Mr. Speaker, yesterday, I was attending a function in my congressional district. As a result, I unfortunately missed several votes. Had I been here, I would have voted ''yea'' on rollcall 248; ''yea'' on rollcall 249; ''yea'' on rollcall 250; ''nay'' on rollcall 251; ''yea'' on rollcall 252; ''nay'' on rollcall 253; ''nay'' on rollcall 254; ''nay'' on rollcall 255; ''nay'' on rollcall 256; ''nay'' on rollcall 257; ''nay'' on rollcall 258.

CLINTON WELFARE REFORM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. PACKARD. Mr. Speaker, it was not a month ago that the President praised the Wisconsin welfare reform plan. Once he got the headlines he wanted, the backpeddle began. The Clinton administration's wavering on Wisconsin's plan is just another in a long history of broken promises on welfare reform.

Throughout 1992, candidate Clinton talked time and again about the need for welfare reform. It has been almost 4 years and his only action on welfare reform has been to veto the reform, not once, but twice. In February of this year, the President supported a bipartisan welfare reform plan unanimously approved by the Nation's 50 Governors—Republican and Democrat alike. Within a month Secretary Shalala said the President would veto the plan.

It is clear the President does not mean what he says. In spite of all of his talk, he is wed to the status quo. By contrast, my Republican colleagues and I are committed to ending welfare as we know it. Congressional Republicans have proposed and passed genuine welfare reform that moves people off of the welfare rolls and onto payrolls.

If we are to have real welfare reform, we must take power out of the hands of Washington bureaucrats and give it back to the people and the States. Not many people, outside of the White House, believe that the Washington welfare bureaucracy—which has presided over the past 30 years of failure—knows more about welfare reform than the States who have proven track records. It is high time the President stopped talking out of both sides of his mouth and began welfare reform in earnest.

WILLIAM H. NATCHER BRIDGE

SPEECH OF

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. OBERSTAR. Mr. Speaker, it is with a great deal of pride that I support the consideration of H.R. 3572. This legislation, which is the same bill the House passed last Congress but the Senate failed to act on, acknowledges the contribution of one of our dear friends and colleagues, William H. Natcher of the State of Kentucky, by designating the bridge on U.S. Route 231 crossing the Ohio River between Maceo, KY and Rockport, IN, as the ''William H. Natcher Bridge''. It is only fitting and proper that a major infrastructure project serve as a long and lasting monument in honor of Bill Natcher. He worked closely with the then-Committee on Public Works and Transportation to provide funding for the construction of this project.

For over 40 years, Bill Natcher worked tirelessly to serve his constituents and the Nation. His public service record is exemplary with having never missed a day of work and with having cast 18,401 consecutive rollcall votes until advised by his physicians to remain at the Bethesda Naval Hospital to receive medical treatment.

Mr. Speaker, more importantly, the character of the gentleman is what set him apart from many of his colleagues. He was a courteous, dignified, and considerate human being whom we all loved and respected. Throughout Bill Natcher's tenure in the House, he enjoyed tremendous respect. He exhibited true leadership virtues during his service as chairman of the Subcommittee on Labor, Health and Human Services, and Education and as chairman of the Committee on Appropriations. Under his tenure, all 13 appropriations bills were enacted on time, without the need for a continuing resolution.

In the 103d Congress, this committee worked closely with the gentlemen from Kentucky and was extremely proud of his willingness to work together to support legislation that maintained the integrity of the legislative process.

Mr. Speaker, it was an honor and privilege to have served for over 19 years in the House with my friend and colleague, Bill Natcher. I am pleased to support this legislation as a testament to the tremendous work he did for the State of Kentucky, its Second District, and the Nation, and I urge approval of the bill.

TRIBUTE TO TOP COAST GUARD OFFICER

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Ms. WOOLSEY. Mr. Speaker, I rise today to pay tribute to Capt. Eric Staut, commanding officer of the Coast Guard Training Center in Petaluma, CA, who retires this month after 30 years of impeccable service to our country, our Coast Guard, and the Petaluma community.

Captain Staut's extensive accomplishments and experience in the Coast Guard include serving as district chief of operations, law enforcement staff chief, commanding officer of two air stations, and chief of enlisted personnel responsible for the management of the Coast Guard's 30,000 member enlisted force.

I had the pleasure of working with Captain Staut when he was the commanding officer of the Coast Guard Training Center, Petaluma. Through his creative, proactive, and skillful leadership, the training center has become one of the most efficient facilities in the Coast Guard. Under Captain Staut's command, the Petaluma Training Center went from being on the chopping block to receiving the Unit Commendation Award, which is the highest unit award in the Coast Guard. According to the Coast Guard's Commandant who awarded this prestigious commendation, the staff demonstrated dynamic leadership and innovation in the quality of training and support services. It was Captain Staut's natural leadership that helped shape and enrich the minds and hearts of the students and staff who take pride in the work they do and in the place they serve. His leadership, hard work, and dedication have tremendously affected countless lives.

On June 25, 1996, Captain Staut will be relieving his command of the Petaluma Training Center, but he will forever remain a vital link to the history of the Petaluma area, and the west coast, for the honors and successes he brought to the center and for helping keep the only Coast Guard Training Center on the west coast. I urge my colleagues to please join me in saluting Captain Staut, and wishing him and his wife, Carolyn, much success with their future plans.

EAST KENTWOOD HIGH SCHOOL CONTINUES EXCELLENCE

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. EHLERS. Mr. Speaker, I would like to take this opportunity to recognize the outstanding dedication and effort of a group of students and their teacher from my district. The students are from East Kentwood High School and their teacher is Deb Snow. Earlier this spring, Ms. Snow and her 22 students competed in the We the People the . . . The Citizen and the Constitution national finals and won the region three award. The award is presented to five schools, from each of five geographic regions, with the highest cumulative score during the first 2 days of the national finals. This remarkable feat was accomplished while competing against 49 other classes from around the country.

The We the People the . . . The Citizen and the Constitution program encourages high school students around the country to better understand the history and principles of our Nation's constitutional government focusing on the U.S. Constitution and the Bill of Rights. After extensive preparation in their respective schools, students compete in a challenging 3-day competition that includes a simulated congressional hearing. During the competition the students are judged on their oral presentations, their knowledge of constitutional principles, and their ability to apply them to historical and contemporary issues. The program is the most extensive of its kind.

I am extremely proud of the students from East Kentwood who made numerous sacrifices to represent our district and State in this competition. Advancing to the national finals and being recognized as one of the top schools in this competition is no easy task. These students made a commitment to succeed and followed through on their goals. The students who studied long hours to reach the finals were: Katie Bacon, Ryan Brubaker, Dan Bush, Brad Busse, Brian Busse, Nathaniel Cartier, Jamie Cassis, Stacy Corsaut, Michelle David, John Defouw, B.J. Desmond, Brian Dishinger, Ryan Eavey, Chris Frazier, Andrea Hudson, Mark Hulbert, Rachel Katonak, Winnie Lee, Kurt Leland, Chris Magnuson, Emily Peterson, and Beth Zoller.

The students are not the only ones who give their all for this competition. They are fortunate to be under the tutelage of their teacher, Deb Snow, who goes above and beyond the call of duty of preparing students for this competition. Under her leadership, East Kentwood has enjoyed frequent success in the We The People . . . The Citizen and the Constitution program. Her dedication and passion for teaching should serve as an example for other teachers to follow. Congressional district coordinator Donald Fink and State coordinator Linda Start also play important roles in East Kentwood's success. Their guidance and planning efforts were extremely beneficial in helping the team advance to the national finals.

Mr. Speaker, I am delighted to take this time to recognize the outstanding accomplishments of this team. The valuable lessons learned through competition and teamwork will help prepare these students for the challenges that lie ahead in their adult years. I want to thank the students and teacher Deb Snow for serving as excellent representatives of the Third District. Again, my deepest congratulations and my wishes for continued success in the years to come.

A TRIBUTE TO DR. JAMES G. McCLUSKEY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. DUNCAN. Mr. Speaker, I want to recognize Dr. James G. McCluskey for his 37 years of service as pastor of Wallace Memorial Baptist Church in Knoxville, TN. His leadership and service has truly blessed Wallace Memorial Baptist Church.

Today Wallace Memorial is one of the largest churches in the east Tennessee area with over 3,000 members. It is devoted to its missions outreach which was inspired by Dr. Bill Wallace, after whom the church was named.

Dr. McCluskey joined Wallace Memorial as its pastor in 1959 when there were approximately 45 members. At that point, he had held several different high level positions with many agencies and ministries. He had served as the president of the Tennessee Baptist Convention, the Tennessee Baptist Pastor's Conference, the Tennessee Baptist Youth Evangelistic Conference, the Ridgecrest Baptist Assembly, and senior teacher for Evangelism Explosion International. Additionally, he had traveled to several foreign countries on mission work.

Most importantly, his love for Christ and his mission to share that love with others has guided Wallace Memorial as the church's membership and programs have grown over the years.

Dr. McCluskey has said that the inspiration of his own growth has been ''a wonderful wife and family who sustained and were encouraged. She has been the most stabilizing and encouraging. The church will miss her more than they miss me.''

Several church members are sad to see the McCluskey family leave. Theresa Wilson described it best when saying:

For the 14 years that I've been a member of Wallace Memorial Baptist Church and have known Jim and Lib, their ministry has been an example of putting Christ first and self last. Their leadership has always been full of energy and enthusiasm for the Lord and his church. We will sorely miss Jim and Lib and we are thankful for their years of service.

Rev. Jim McCluskey recently told the Knoxville News Sentinel: ''The Church is not built on me, but on Christ. The best is yet to be. Move onward, upward and forward and give new leadership the same following they gave me.''

I request that a copy of the article that recently appeared in the Knoxville News Sentinel be placed in the RECORD at this point so that I can call it to the attention of my colleagues and other readers of the RECORD.

MOVE ONWARD, UPWARD

(By Bill Maples)

Wallace Memorial Baptist Church at 701 Merchant Drive is a huge edifice. Its auditorium seats hundreds. It has a reputation for its far-reaching mission outreach and for its Christmas and Easter programs. It has 3,162 members.

But its members are feeling a painful sense of loss this weekend. Dr. James G. McCluskey, its pastor for 37 years, is preaching his last sermon on Sunday. He is retiring.

''There are other things I want to do but not in a full-time pastorate,'' he says. He mentions consulting, teaching, substitute preaching.

Then, too, there are children and grandchildren he and wife, Elizabeth, want to visit more, and some traveling they want to do.

Dr. Roy T. Edgemon, director of discipleship and family in the development division of the Baptist Sunday School Board, will serve as interim pastor.

The church is having a reception at the church Sunday, April 14, from 2 to 4 p.m. The public is invited.

It has been a colorful voyage. Wallace Memorial has grown from 45 members when it was founded in 1952 to more than 3,000 members today. What made it grow so rapidly?

''Wallace Memorial was well-born,'' McCluskey says. ''It was started by Arlington Baptist Church in a growing community. It has had good lay leaders and good followers.''

Asked what has been the strength of his own growth, McCluskey says, ''A wonderful wife and family who sustained and were encouraging. She has been the most stabilizing and encouraging. The church will miss her more than they will miss me.''

Before they were married April 2, 1953, she was Elizabeth Ann Peters of Knoxville. Known to members as ''Lib,'' she is a consultant in working with children with the Sunday School Department of the Tennessee and Southern Baptist Conventions. She has been a trustee with East Tennessee Baptist Hospital since 1989 and is president of the advisory board of the Carson-Newman College of Nursing. The couple has four children and eight grandchildren. One son and one son-in-law are ministers.

Jim McCluskey, as he prefers to be called, grew up in Chattanooga and earned his bachelor's degree from Carson-Newman in 1952. He went on to earn the master of divinity and master of religious education degrees from Southern Baptist Theological Seminary and the doctor of ministry degree from Luther Rice Seminary. He has held two other pastorates, in Squiresville and Lawrenceburg, Ky. He came to Wallace Memorial in 1959.

He has held various high-level board and advisory positions with at least two dozen ministries and agencies during his career, including president of the Tennessee Baptist Convention; denominational speaker at the Tennessee Baptist Convention, Tennessee Baptist Pastors' Conference, Tennessee Baptist Youth Evangelistic Conference, Ridgecrest Baptist Assembly; and senior clinic teacher for Evangelism Explosion International. He has traveled to several foreign countries on mission work.

Wallace Memorial has always emphasized mission work. It has sent forth 42 persons from among its members as spiritual leaders—ministers, ministers of music, teachers and laypeople involved in spiritual missions.

It has sent more than 101 mission teams to foreign and American locations on mission and mercy trips. These included emergency disaster teams sent to hurricane locations. Its annual mission giving is in the hundreds of thousands of dollars.

One impetus for this enthusiasm is the inspiration for the church's name—Bill Wallace, a native of Knoxville who died a Christian missionary martyr in China in 1951. When his body was returned to the U.S., he was buried in Greenwood Cemetery. The funeral was held at Wallace Memorial. A room containing Wallace's memorabilia has been set aside by the church.

Many members have come forward with a farewell word for the McCluskeys. Typical is that of Theresa Wilson: ''For the 14 years that I've been a member at Wallace Memorial Baptist Church and have known Jim and Lib, their ministry has been an example of putting Christ first and self last. Their leadership has always been full of energy and enthusiasm for the Lord and his church.

''Jim and Lib have truly made Wallace Memorial feel like a large family through their loving and caring attitudes. Wallace Memorial as a church family has been truly honored to have been under the leadership of Jim McCluskey as our senior pastor for the past 37 years. We will sorely miss Jim and Lib and we are thankful for their years of service.''

What message does Jim McCluskey leave with the church? ''That the church is not built on me, but on Christ. The best is yet to be. Move onward, upward and forward and give new leadership the same following they gave me.''

What message would he give to a starting church? ''Focus on meeting people's needs.''

What message would he give a starting preacher? ''Spend as much time preparing yourself as you do preparing a sermon.''

INTRODUCTION OF HOUSE CONCURRENT RESOLUTION 191

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. GILMAN. Mr. Speaker, I am proud to introduce this resolution (H. Con. Res. 191) to provide that long delayed recognition to persons considered to be members of the Philippine Commonwealth Army Veterans and members of the Special Philippine Scouts—by reason of service with the Allied Armed Forces during World War II.

We must correct the grave injustice that has befallen this brave group of veterans, since their valiant service, on behalf of the United States, during the Second World War.

On July 26, 1941, President Roosevelt issued a military order, pursuant to the Philippines Independence Act of 1934, calling members of the Philippine Commonwealth Army into the service of the United States Forces of the Far East, under the command of Lt. Gen. Douglas MacArthur.

For almost 4 years, over 100,000 Filipinos, of the Philippine Commonwealth Army fought alongside the Allies to reclaim the Philippine Islands from Japan. Regrettably, in return, Congress enacted the Rescission Act of 1946. This measure denied the members of the Philippine Commonwealth Army the honor of being recognized as veterans of the United States Armed Forces.

A second group, the Special Philippine Scouts called ''New Scouts'' who enlisted in the United States Armed Forces after October 6, 1945, primarily to perform occupation duty in the Pacific, have also never received official recognition.

I believe it is time to correct this injustice and to provide the official recognition long overdue for members of the Philippine Commonwealth Army and the Special Philippine Scouts that they valiantly earned for their service to the United States and the Allied cause during World War II.

These members of the Philippine Commonwealth Army and the Special Philippine Scouts served just as courageously and made the same sacrifices as their American counterparts during the Pacific war. Their contribution helped disrupt the initial Japanese offensive timetable in 1942, at a point when the Japanese were expanding almost unchecked throughout the western Pacific.

This delay in the Japanese plans bought valuable time for scattered allied forces to regroup, reorganize, and prepare for checking the Japanese in the Coral Sea and at Midway.

During the next 2 years, Filipino ''Scout'' units, operating from rural bases, tied down precious Japanese resources and manpower through guerilla warfare tactics.

In 1944, Filipino Forces provided valuable assistance in the liberation of the Philippine Islands which in turn became an important base for taking the war to the Japanese homeland. Without the assistance of Filipino units and guerrilla forces, the liberation of the Philippine Islands would have taken much longer and been far costlier than it actually was.

I urge my colleagues to carefully review this resolution that corrects this grave injustice and provides recognition to members of the Philippine Commonwealth Army and the members of the Special Philippine Scouts.

The full text of the bill (H. Con. Res. 191) is included at this point in the RECORD.

H. CON. RES. 191

Whereas the Commonwealth of the Philippines was strategically located and thus vital to the defense of the United States during World War II;

Whereas the military forces of the Commonwealth of the Philippines were called into the United States Armed Forces during World War II by Executive order and were put under the command of General Douglas MacArthur;

Whereas the participation of the military forces of the Commonwealth of the Philippines in the battles of Bataan and Corregidor and in other smaller skirmishes delayed and disrupted the initial Japanese effort to conquer the Western Pacific;

Whereas that delay and disruption allowed the United States the vital time to prepare the forces which were needed to drive the Japanese from the Western Pacific and to defeat Japan;

Whereas after the recovery of the Philippine Islands from Japan, the United States was able to use the strategically located Commonwealth of the Philippines as a base from which to launch the final efforts to defeat Japan;

Whereas every American deserves to know the important contribution that the military forces of the Commonwealth of the Philippines made to the outcome of World War II; and

Whereas the Filipino World War II veterans deserve recognition and honor for their important contribution to the outcome of World War II: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress recognizes and honors the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

IN HONOR OF MANUEL AND MARIA MARIN: AN AMERICAN SUCCESS STORY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to honor Manuel and Maria Marin, a classic American success story. Mr. and Mrs. Marin will be honored at a reception this Saturday at the Sheraton Meadowlands in East Rutherford, NJ.

America is a land of immigrants, and this family exemplifies the immigrant success story. Manuel and Maria arrived in the United States with only the clothes on their backs and a few personal possessions in May 1980. They were searching for a better way of life and an escape from the Communist dictatorship of Cuba. Despite their bad fortune, the Marins dedicated themselves to creating a new life in their adopted homeland. Through their sweat and determination, they were able to scrape up enough funds to open up a grocery store in West New York, NJ, in 1986.

In 10 short years, the Marins' one grocery store has blossomed into a chain of supermarkets throughout New Jersey and Florida. Their success has made them role models for the Hispanic community and the community at large.

Manuel's and Maria's fine character is not only evident in their business success, but also in their devotion to their family and community. In addition to raising two children, Yanina and Yaddiel, the Marins have worked to reunite their family by bringing members over from Cuba. Manuel is very active in the Latin American Kiwanis Club and participates in their many charitable activities. He also provides financial support to other businessmen through Banco Uno, which he founded.

I am very grateful for the Marin family's contributions to the Hispanic community, New Jersey, and our Nation. Their success is proof that, indeed, we are a land of great opportunity for all those willing to seize it. I ask my colleagues to join me in honoring this great family.

TRIBUTE TO STEPHEN P. CLARK

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. DEUTSCH. Mr. Speaker, I rise today to pay tribute to Stephen P. Clark, a man who dedicated his life to serving the public for more than four decades. He served as mayor of the city of Miami from 1967 to 1970 and again from 1993 to 1996. In between he served as mayor of metropolitan Dade County.

In 1970, he resigned as mayor of Miami to win the office of mayor of Dade County. With the exception of 2 years, he held that post until 1993. Once in office he helped transform Dade County from a sleepy tourist oriented county into the growing metropolis it is today. Under his guidance Dade County has become an initial center for banking, business, and the arts in the United States.

As mayor of Dade County, Mr. Clark spurred county improvement projects such as a modern transit system, a cultural center, and a main library. He was instrumental in establishing community wide, public-private efforts, to create jobs and economic assistance. He initiated the Housing Finance Authority, which provides low-cost mortgages for new homeowners. Furthermore, he constantly worked to improve living conditions, create job-training programs for the youth, and facilitate effective community relations amongst Miami's depressed areas.

In 1993, 23 years after resigning from office, Stephen Clark was again elected to serve Miami as their mayor. He initiated measures to save the city millions of dollars while improving and expanding public services such as the fire and police. He worked to improve communication and enhance ties with the community. Under his direction, the city joined forces with Fannie Mae to create an affordable housing plan which provides nearly 70,000 Miami-Dade families with housing opportunities. In 1994, he hosted the Pan American Summit of Hemispheric Presidents, which was attended by 34 heads of state from democratic countries of the Western Hemisphere.

In a time when cities across this Nation have seen shrinking budgets while ever increasing challenges mounted, Stephen Clark

was there for metropolitan Dade County. In meeting those challenges head on and conquering them, he touched and improved the lives of millions of Florida residents. Mr. Speaker, Stephen Clark is an example for us all as to what an elected official should strive to become. I thank and praise him for his lifetime of service and dedication.

LINDSEY SEDLACK WRITES A POEM FOR PEACE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. LANTOS. Mr. Speaker, I would like to bring my colleagues' attention to a beautiful poem, ''Helping the World,'' that was sent to me by an eight-year-old girl from my district. The author Lindsey Sedlack, is the great-grand-daughter of Ben Swig, a great humanitarian of the San Francisco Bay area and a longtime friend. Mr. Swig was a benefactor of my cause that needed help, including the Salvation Army and the Jewish Community Federation. This poem by his granddaughter embodies his humanitarian spirit.

Lindsey's awareness of the social problems of our times, the love and sensitivity she brings to these issues and her dedication to make this world a better place for all of us gives us hope for the future. It is a young generation of multitalented individuals like Lindsey who will comprise the next generation of leaders. Mr. Speaker, I ask that her poem be included in the RECORD, and I urge my colleagues to encourge young leadership like Lindsey's.

HELPING THE WORLD

(By Lindsey Sedlack)

If I were wind,
I would blow free.
Wishing the world
was as happy as me.
I would carry seeds
across the world,
making flowers and plants
for boys and girls.
On hot summer days,
I would make a cool breeze
that would cool people down
and russle through the leaves.
I would blow all the war and fighting away
wishing that only peace would stay.
I wish that the homeless could have their
own town.
I wish that people would stop cutting trees
down.
I wish people would stop making animals ex-
tinct
and would draw more pictures on paper with
ink.
If I were the wind I would blow free
wishing the world
was a happy as me.

PROVIDING COLORECTAL CANCER SCREENING COVERAGE FOR ALL AMERICANS

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. HASTINGS of Florida. Mr. Speaker, when I first became involved in the issue of colorectal cancer screening, I did so not because I am an African-American, but because providing colorectal cancer screening as a covered benefit funded the Medicare Program has the potential to save thousands of lives each year in this country. The statistics on colorectal cancer cannot be ignored. There are about 150,000 new cases of colorectal cancer each year in the United States, and about 60,000 people will die in the United States from that disease each year. Colorectal cancer is the second leading killer of all the cancers. It also is an equal opportunity disease whose victims include Americans of all races, creeds, and ethnic groups.

I recently became aware, however, of a number of medical studies that make me realize that, as an African-American, I have a special reason to be concerned about this issue. These studies have found that colorectal cancer strikes African-Americans differently than it does the general population in the United States. Moreover, these differences are critical with regard to screening to detect this disease. The data in these studies make clear that sigmoidoscopy is not an effective screening procedure for African-Americans. Rather, a barium enema or other procedure that views the full colon is clearly preferred for this population, and perhaps for other groups as well.

In the opening weeks of this Congress, I introduced a bill, H.R. 1046, that would expand the Medicare Program to provide coverage of periodic colorectal cancer screening services. Because this bill provides coverage for all of the currently available screening procedures, it would allow all Medicare recipients at average-risk for colorectal cancer, including African-Americans, to decide to be screened with the more comprehensive barium enema procedure or, if they prefer, sigmoidoscopy. As of last week, the Colorectal Cancer Screening Act has 30 cosponsors in the House of Representatives, from both sides of the aisle, and the key provisions of the bill were included as part of the comprehensive reform of the Medicare Program in President Clinton's most recent budget proposals.

H.R. 1046 is distinguished from other colorectal cancer screening legislation by the fundamental belief that the decision on how to screen each patient should be left to the patient and his or her physician—not the Federal Government. For this reason, H.R. 1046 authorizes Medicare coverage for colorectal cancer screening for individuals at average-risk for colorectal cancer that includes an annual fecal occult blood test [FOBT] and direct screening every 5 years with either a barium enema procedure or sigmoidoscopy. For individuals at high-risk for colorectal cancer, the bill provides an annual FOBT and direct screening every 2 years with either a barium enema procedure or colonoscopy. The bill also authorizes the Secretary of Health and Human Services [HHS] to authorize coverage for new screening procedures as they become available. Unlike other colorectal cancer screening bills that would provide Medicare reimbursement for only some of the currently available screening procedures, H.R. 1046 recognizes that different screening procedures may be appropriate for different individuals. The bill, therefore, provides a range of options and leaves the choice to patients and their physicians.

The validity of this approach is confirmed by the medical studies on colorectal cancer in African-Americans. The studies were unanimous in their conclusions—that ''the entire colon of * * * black patients is at greater risk than that of white patients to develop cancer of the colon.'' They found that colon cancer tends to strike African-Americans more commonly on the right side of the colon than the general population in the United States.

These studies raise serious questions about the approach taken by other colorectal cancer screening bills, which provide coverage only for sigmoidoscopy and not the barium enema. While the barium procedure allows for screening the whole colon, the flexible sigmoidoscope screens only about one-half of the colon. Sigmoidoscopy does not screen the right side of the colon where African-Americans more frequently develop colon cancer. Thus, providing coverage only for sigmoidoscopy puts African-Americans and possible other unidentified ethnic groups at risk. Let me cite the conclusions of several of these studies:

''Current screening recommendations [sigmoidoscopy] may not be effective enough for preventing colon cancer in this population.'' ''Distribution of Adenomatous Polyps in African-Americans,'' Lisa A. Ozick, MD, Leslie Jacob, MD, Shirley S. Donelson, MD, Sudhir K. Agarwal, MD, and Harold P. Freeman, MD, The American Journal of Gastroenterology, May 1995, p. 758.

''This study points out the potentially discrepant sensitivity and value of this instrument [sigmoidoscope] between black and white patients, suggesting that colonoscopy and/or air contrast barium enema examinations are the screening methodologies of choice in black patients.'' ''Anatomical Distribution of Colonic Carcinomas Interracial Differences in a Community Hospital Population,'' Houston Johnson, Jr., MD and Rita Carstens, RN, Cancer, 1986, p. 999.

''This study challenges this recommendation [sigmoidoscopy every three to five years] as unsatisfactory for blacks since 50 percent of neoplasms could be missed in blacks compared to only 20 percent in whites.'' ''Site-Specific Distribution of Large Bowel Adenomatous Polyps: Emphasis on Ethnic Differences,'' Houston Johnson, Jr., MD, Irving Margolis, MD, Leslie Wise, MD, Dis. Colon Rectum, April 1988, p. 260.

''Data support the clinical impression that blacks have relatively more proximal colonic tumors than the general population. They also suggest that early full study of the colon, including barium enema with air contrast or colonoscopy (opposed to flexible sigmoidoscopy), is highly indicated in screening or work up for earlier diagnosis in patients, especially blacks suspected of polyps or carcinoma of the colon.'' ''Anatomic Distribution of Colonic Cancers in Middle Class Black Americans,'' John W.V. Cordice, Jr. MD, Houston Johnson, Jr. MD, Journal of the American Medical Association, 1991, p. 730.

''Unless barium enema studies or colonoscopic studies are employed, significant numbers of premalignant lesions or early cancers could be missed in a black population if the distribution of lesions found in this study is generally applicable to black populations.'' ''Untreated Colorectal Cancer in a Community Hospital,'' Dr. Houston Johnson, Jr., Journal of Surgical Oncology, July 3, 1984, p. 198.

These medical studies have caused me to redouble my efforts on this legislation. We need to enact a colorectal cancer screening bill that serves all Americans, and that provides an equal opportunity for all Americans to have a screening procedure that is effective

for them, and which will prevent this horrible disease.

Mr. Speaker, I encourage all of my colleagues to reexamine this issue, and to contact me or my staff if you would like to obtain copies of the studies I have cited here, or other studies on colorectal cancer and the alternatives for screening. I also encourage you to join me as a sponsor of H.R. 1046, and to work to establish colorectal cancer screening as a covered benefit under the Medicare program. With this step, we can begin to make serious progress in reducing the avoidable pain, anguish, and excessive medical costs that this disease imposes on all of our citizens.

COLORECTAL CANCER IN AFRICAN-AMERICANS: MEDICAL STUDIES INDICATE THAT SCREENING WITH SIGMOIDOSCOPY AND FOBT IS INADEQUATE FOR THIS POPULATION

A number of recent medical studies have confirmed earlier reports that polyps and colon cancer occur more commonly in the right (proximal) colon of African-Americans, as compared with the general population. These studies raise questions with regard to the adequacy of colorectal cancer (CRC) screening with sigmoidoscopy, given that a sigmoidoscopy procedure examines only the left (distal) side of the colon, and suggest the use of the barium enema or colonoscopy as preferred screening methodologies for African-Americans.

The principal findings of these studies are as follows:

(1) ''Distribution of Adenomatous Polyps in African-Americans,'' Lisa A. Ozick, MD, Leslie Jacob, MD, Shirley S. Donelson, MD, Sudhir K. Agarwal, MD, and Harold P. Freeman, MD, The American Journal of Gastroenterology, May 1995, pp. 758–760.

''Previous research has suggested that polyps and colon cancer occur more commonly in the right colon in African Americans compared with the general population.'' (p. 758).

''This study supports previous work that suggests that there is a significant shift to the right in the anatomical distribution of polyps in African-Americans. It also shows that the malignant potential is as high for right-sided polyps as it is for those on the left. Current screening recommendations [sigmoidoscopy] may not be effective enough for preventing colon cancer in this population.'' (p. 758).

(2) ''Anatomical Distribution of Colonic Carcinomas Interracial Differences in a Community Hospital Population,'' Houston Johnson, Jr., MD and Rita Carstens, RN, Cancer, 1986, pp. 997–1000.

''This study points out the potentially discrepant sensitivity and value of this instrument [sigmoidoscope] between black and white patients, suggesting that colonoscopy and/or air contrast barium enema examinations are the screening methodologies of choice in black patients.'' (p. 999).

''The finding that . . . indeed the entire colon of this population of black patients is at greater risk than that of white patients to develop cancer of the colon is astounding.'' (p. 1000).

(3) ''Site-Specific Distribution of Large Bowel Adenomatous Polyps: Emphasis on Ethnic Differences,'' Houston Johnson, Jr., MD, Irving Margolis, MD, Leslie Wise, MD, Dis. Colon Rectum, April 1988, pp. 258–260.

In a study at Queens Hospital Center in New York, it was found that ''[f]ifty-two black and 46 white patients had 130 adenomatous polyps. . . . A separate racial analysis demonstrated an unexpected pattern of distribution among blacks and whites. Adenomatous lesions were more broadly distributed in all segments of the large bowel for blacks, but were disproportionately concentrated in the sigmoid and rectum of whites.'' (p. 259).

''The findings of this study underscore the important ethnic differences in the site distribution of adenomatous polyps. The right-sided dominance of neoplastic lesions in blacks emphasizes the importance of total colonic surveillance to detect these large bowel neoplasms in this racial group.'' (p. 259).

''This study challenges this recommendation [sigmoidoscopy every three to five years] as unsatisfactory for blacks since 50 percent of neoplasms could be missed in blacks compared to only 20 percent in whites.'' (p. 260).

(4) ''Anatomic Distribution of Colonic Cancers in Middle Class Black Americans,'' John W.V. Cordice, Jr. MD, Houston Johnson, Jr. MD, Journal of the American Medical Association 1991, pp. 730–732.

''Data support the clinical impression that blacks have relatively more proximal colonic tumors than the general population. They also suggest that early full study of the colon, including barium enema with air contrast or colonoscopy (opposed to flexible sigmoidoscopy), is highly indicated in screening or work up for earlier diagnosis in patients, especially blacks suspected of polyps or carcinoma of the colon.'' (p. 730).

(5) ''Untreated Colorectal Cancer in a Community Hospital,'' Dr. Houston Johnson, Jr., Journal of Surgical Oncology, July 3, 1984, pp. 198–200.

''Generally, sigmoidoscopic examinations are recommended to complement physical examinations and stool blood tests. While this recommendation may be appropriate for white patients, it may not be appropriate for black patients. Unless barium enema studies or colonoscopic studies are employed, significant numbers of premalignant lesions or early cancers could be missed in a black population if the distribution of lesions found in this study is generally applicable to black populations.'' (p. 198).

TRIBUTE TO LOUISE AND GERALD STEIN

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. BARRETT of Wisconsin. Mr. Speaker, I pay tribute today to two of Milwaukee County's outstanding citizens, Louise and Gerald Stein. As the Milwaukee Chapter of the International State of Israel Bonds organization prepares to honor Louise and Gerald for their many contributions to our community, I would like to take a moment to reflect on the remarkable achievements of this great couple.

Louise was educated as a registered medical technologist, and is exceptionally involved in the Milwaukee Jewish Federation as an officer, and cochair of the Lead Community Project for Systemic Change in Jewish Education. Louise is a past president in the women's division. Louise also serves as a board member of the Jewish Education Service of North America and the Hillel Academy.

Jerry Stein is a distinguished attorney and certified public accountant who for the past 39 years, has worked for the Zilber-Towne Realty family of companies. He is the president and CEO of Zilber, Ltd., which is responsible for all investments and operations of the Zilber companies. Jerry presently serves with distinction as the president of the Milwaukee Jewish Federation and is the past campaign chair. Jerry is also director and past president of the Milwaukee Center for Independence and the Milwaukee Public Museum, as well as past general chairman of Israel Bonds in Wisconsin. Jerry presently continues to serve as a board member of the Jewish Home and Care Center and the University of Wisconsin-Milwaukee Foundation Board. In addition to these endeavors, Jerry selflessly devotes his time to the advisory boards of the Milwaukee Heart Institute, First Bank Milwaukee, University of Wisconsin Milwaukee School of Business Administration and the Marquette University Law School and Multicultural Council.

Louise and Jerry have been married for 36 years and have three daughters and four grandchildren. Their commitment to their faith, family, country, and community is truly extraordinary, and they have been an inspiration to us all.

Mr. Speaker, I commend the Milwaukee Chapter of the international State of Israel Bonds organization on its excellent selection of Louise and Gerald Stein as this year's honorees. I wish Louise and Jerry continued success in all of their endeavors.

INTRODUCTION OF RESOLUTION TO DEVELOP PLAN TO REOPEN PENNSYLVANIA AVENUE

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Ms. NORTON. Mr. Speaker, today, I am introducing a resolution to develop a plan for the reopening of Pennsylvania Avenue. This resolution, similar to a resolution enacted in the Senate last night, brings together and reconciles House and Senate approaches to the closing of Pennsylvania Avenue. At my request after the closing last year, the House D.C. Subcommittee held hearings on June 30, 1995, and again this year on June 7, 1996. At both hearings, truly devastating damage to downtown traffic and commerce was reported. The victims of the closing are pervasive—residents, commuters, tourists, and businesses. In effect, downtown D.C. is disjoined and disfigured. No large city today, healthy or not—and D.C. is insolvent—could absorb the enormous costs associated with closing the most important cross town street.

Some in Congress had called for an immediate reopening of the avenue. Recognizing that this was impractical and impossible because of the obligations of the Secret Service written into law, I have sought ways to open the avenue while safeguarding the White House and to keep the Park Service from foreclosing the possibility. This has also been the view of D.C. Subcommittee Chair TOM DAVIS, who joins me as a cosponsor today.

The bipartisan resolution we introduce today requires that all the relevant parties participate. Thus, this resolution is the most useful response to the closing. It depolarizes and depoliticizes an issue that has two important sides. It puts everyone to work on solving the problem, rather than facing off against one another, leaving the problem begging for attention. I appreciate the attention that the House and the Senate have given to the effect of the

closing on my district and on every American's capital city. I urge all Members to support this resolution.

SUPPORT THE POSTAL SERVICE CORE BUSINESS ACT

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. CUNNINGHAM. Mr. Speaker, I rise today to join my colleague, Mr. HUNTER, in introducing the Postal Core Business Act of 1996. This important legislation works to prevent the U.S. Postal Service [USPS] from unfairly competing with a small business industry, known as the Commercial Mail Receiving Agency [CMRA]. The livelihoods of those who own and operate small commercial packing stores throughout the country, like Mail Boxes Etc. and Postal Annex, are in danger. Approximately 10,000 CMRA businesses may be forced to close their doors due to the USPS' tax-free expansion into services already provided by private packaging stores.

These expanded services include wrapping, packaging, and shipping of items, and the USPS may expand beyond that. The USPS is opening stores throughout the country, many in locations very near private companies who already provide these services. The fact is that the USPS does not fairly compete. They do not charge State or local tax on retail items, they are insured by the Government, and they often do not pay the Federal, State, and local taxes that private companies do. These are only some of the advantages enjoyed by the USPS, creating a playing field tilted against private industry. Moreover, when a customer brings an item to be packaged by the USPS, the USPS requires that the customer send the package through U.S. mail. Commercial mail companies do not require this of their customers.

The legislation we introduce today will allow the USPS to continue improving their goal of timely and effective delivery of mail, but will prevent them from unfairly competing with small business. Under our bill, the USPS will not be able to expand their services beyond what they were offering as of January 1, 1994. This is a reasonable approach to protecting jobs and satisfying American consumers seeking adequate postal services.

The livelihood of Americans is being threatened by the Federal Government. We must prevent small businesses from going out of business at the hand of the Federal Government. This will certainly happen unless the USPS is prevented from unfairly competing with commercial mail companies. I encourage my colleagues to join me in support of this important legislation.

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. CLINGER. Mr. Speaker, on June 19, 1996, I was unavoidably detained and missed rollcall votes 254, 255, 256, and 257 during consideration of H.R. 3662, a bill making appropriations for fiscal year 1997 for the Department of Interior and related agencies.

Had I been present, I would have voted ''no'' on rollcall 254, ''no'' on rollcall 255, ''no'' on rollcall 256, ''no'' on rollcall 257.

I ask unanimous consent that my statement appear in the CONGRESSIONAL RECORD immediately following these votes.

CHAMPION, INC., 75TH ANNIVERSARY

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. STUPAK. Mr. Speaker, and Members of the U.S. House of Representatives, it is an honor for me to bring to the attention of the House of Representatives and the Nation that Champion, Inc. of Iron Mountain, MI, is celebrating 75 years of service to the upper peninsula and the Nation on June 21, 1996. Medio Bacco, an immigrant road-builder opened the doors of Champion Gravel Co. on June 21, 1921. Through the hard work and dedication of Mr. Bacco, his nephew Louis Verrette, and Louis' son, William Verrette, Champion Gravel Co. has become Champion, Inc. and is known today as one of the most successful gravel, redimix, and construction companies in the State of Michigan.

Medio Bacco founded Champion 75 years ago in Iron Mountain, where its headquarters are still located today. In 1927, Mr. Bacco's 14-year-old nephew, Louis Verrette came to him looking for a summer job and was assigned the position of assistant timekeeper for a paving job being completed from the Sturgeon River bridge to the Delta County line. He continued working for his uncle during his summer vacations until he graduated from Michigan Technological Institute in 1934.

Upon graduation Louis joined Champion's Service & Supply Co., located where Champion's Lake Shore Engineering Co., presently stands. After 8 years at the Service & Supply Co., Louis Verrette was called upon to serve his country in World War II. When the war ended, Lt. Col. Louis Verrette returned to his family in Iron Mountain and to Champion where he took over as president. Medio Bacco retired and became chairman of the board.

Champion Gravel Co. saw many changes when Louis Verrette took hold of the reins. On December 6, 1945, Champion Gravel Co. became Champion, Inc. Louis began touring Champion's various gravel plants but was unhappy with their conditions. He vowed to make the necessary improvements to keep the plants producing to capacity. With this improvement underway, Louis Verrette was able to concentrate on expanding the dimensions of the company by developing projects aimed at keeping Champion busy during the winter months when road construction was not possible. As a result, Champion began providing services and supplies to iron and copper mines throughout Michigan and Minnesota.

As Champion grew so did the size of its projects. Throughout the 1950's and 1960's, Champion, Inc. was involved with construction of several military installations throughout Michigan, Wisconsin, and Minnesota. Both Kincheloe Air Force Base and K.I. Sawyer Air Force Base owe thanks to Champion for many of their buildings. Champion has also been instrumental in the construction of the International Bridge at Sault Ste. Marie and most universities constructed or expanded in the last 75 years signed their construction contracts with Champion, Inc.

In 1950 Medio Bacco divested himself of Champion stock, making Louis Verrette chief stockholder. A new waive of opportunities met the company during the 1960's as nuclear construction developed. Cement used for nuclear plants had to meet higher standards than general cement, and Champion's concrete made the grade. The company continued to build and service various nuclear projects across the Nation until 1984.

In 1971, Louis Verrette became chairman of the board and his son, William Verrette, replaced him as president. Champion continued to grow under Bill's supervision. In 1989 and 1990, Champion acquired Herman Gundlach, Co. of Houghton, MI, and Charter, Inc. of Ishpeming respectively. These latest acquisitions have strengthened Champion both financially and geographically. Champion, Inc. currently has satellite offices throughout Michigan, Wisconsin, Minnesota, and Tennessee.

The 75th anniversary celebration being held on June 20 and 21, 1996, is a tribute to Champion's many employees, suppliers, customers, and friends. In reflecting on the last 75 years William Verrette recognizes the company's success is owed to ''so many good people * * * our managers, office staff, field personnel, customers, and friends.''

Mr. Speaker, I would like to commend Champion, Inc. on their 75th anniversary for the hard work and dedication they have shown the people of Michigan and the Nation. I am pleased that Michigan counts the Verette family as one of our most outstanding families, and that I can count on them as personal friends.

CHURCH ARSON PREVENTION ACT OF 1996

SPEECH OF

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. MARTINI. Mr. Speaker, I rise today to commend my House colleagues for the unanimous support shown for H.R. 3525, the Church Arson Prevention Act of 1996. We have sent a clear and unmistakable message that this Congress stands united against hatred.

Since October 1991, we have witnessed more than 100 different acts of probable arson specifically targeting churches. Over half of the churches burned have been predominantly African-American congregations.

Mr. Speaker, it is one thing to stand up and vigorously denounce these racist and antireligious hate crimes; however, it is far more important to actually do something about them. We need the ability to combat this problem and that is why H.R. 3525 is more than a simple denouncement. It will give the Federal Government the ability to prosecute and punish those who burn or desecrate religious property. Furthermore, it will also bring aid to the victims of these crimes, who are often underinsured or completely uninsured.

Clearly, no one is insulated from the flames of hatred. Even in my home State of New Jersey, a church was recently burned. I am proud to say that a leader in the African-American community in New Jersey is working very hard to combat the burning and desecration of places of worship. Minister and New Jersey Assemblyman Alfred E. Steele, a constituent of mine from Paterson, NJ, has introduced a bill on the State level to stiffen penalties for arson at churches, synagogues, and mosques.

Mr. Speaker, although these crimes have been primarily directed against African-American congregations, I must hasten to point out that they are an assault on those who believe in the freedom and tolerance of the United States. As Assemblyman Steele has said, ''If they attack one, they have attacked all of us.'' With the Church Arson Prevention Act, we can now fight back. We have clearly and decisively acted to end this most vicious and destructive form of intimidation.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

SPEECH OF

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3662) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997, and for other purposes:

Mr. DEUTSCH. Mr. Chairman, I would like to underscore the comments of my colleagues who join with me in supporting the Florida delegation's Everglades amendment to H.R. 3662—the fiscal year 1997 Interior appropriations bill. Congress has long recognized that Everglades restoration is a basic quality of life issue. The State of Florida has taken the lead on this by funding the lion's share of restoration. It is crucial that Congress recognize the Federal commitment by funding authorized land acquisition priorities in this Interior bill. Although the committee report claims to make the Everglades a top national priority, this promise can only be fulfilled by fully funding the land priorities in this bill.

This Congress is deeply interested in the link between the economy and the environment. There is no better example than in south Florida where our multibillion dollar economy depends solely on reversing the environmental mistakes of the past.

I appreciate Chairman Regula's willingness to work with us on this issue. I led the delegation in organizing our unified position, and I know the chairman is aware that a majority of us are on record supporting our efforts today. I look forward to resolving this issue to everyone's satisfaction, and I thank the chairman.

TRIBUTE TO LT. COL. ANTHONY F. QUAN

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. UNDERWOOD. Mr. Speaker, I would like to commend Lt. Col. Anthony F. Quan of the U.S. Army for his outstanding contributions to the island of Guam through his outstanding military service. I also offer my sincerest congratulations on his recent graduation from the U.S. Army War College.

I have personally known Tony Quan for many years. He was born in Agana on September 19, 1950, to Frank D. and Maria C. Quan. His wife, the former Flora Baza, is a lady well known on the island as the ''Queen of Chamorro'' music and as the first Guam beauty queen to bring home an international title. Tony and Flora are the proud parents of four children, Anthony, Jr. (T.J.), Edwin, Jomia, and Jessica.

Although Tony's distinguished military record and training seem to stand out among his numerous accomplishments, several aspects of his notable career are also worth mentioning. He received his commission from the U.S. Army soon after graduating with a degree in civil engineering from Marquette University. He has also been awarded two masters degrees, an MS in civil engineering from Marquette in 1974 and an MA in public administration from Shippenburg University in 1996. In addition to his service with the U.S. Army and the Guam National Guard, Tony also worked in various capacities for the Government of Guam and the private sector.

On Guam, the personal accomplishments and success of native sons and daughters are always celebrated and adopted as triumphs for everyone in the community. As a graduate of the U.S. Army War College, Lieutenant Colonel Quan has attained the highest level of educational training offered by the U.S. Army. He has brought great recognition not only to himself but also to the island of Guam and its people. On behalf of the people of Guam, I congratulate Lt. Col. Anthony F. Quan for his outstanding achievements. We commend his efforts, hard work, and contributions to the island.

SECURITY AMENDMENTS OF 1996

SPEECH OF

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1996

Mr. ENGEL. Mr. Speaker, on May 9, 1996, 19 of my colleagues wrote to the SEC regarding the agency's approval of a preferencing program on the Cincinnati Stock Exchange [CSE]. I share the concerns expressed in that letter. Among other things, the letter expressed concern that the Commission did not adequately examine how preferencing affects the quality of trade prices received by small retail investors.

Preferencing enables a broker to direct its customer orders to buy or sell stock to itself, acting as dealer. On the CSE, in those stocks where preferencing dealers trade exclusively, 95 percent of the transactions are executed by dealers simply matching or pairing their own orders with those of their customers. The overwhelming majority of trades executed on the CSE are for small retail orders. Indeed, 70 percent of CSE trades are for 500 shares or less, and 97 percent are for less than 2,000 shares. Very few institutional traders have their trades preferenced on the CSE.

The SEC order granting approval to the CSE preferencing program left many important questions unanswered. Among these questions is why only small retail orders are executed under the CSE's preferencing rules, and whether these orders are receiving the same opportunity for price improvement as they would on the primary market.

Mr. Speaker, today we take up H.R. 3005, the Securities Amendments of 1996. This legislation does not address the issue of preferencing but I understand that similar legislation in the other body may contain a provision directing the SEC to undertake a detailed study of preferencing on exchange markets. Such a study would provide more information about how preferencing affects small retail investors. Unless such a study concludes that there are tangible benefits to investors, including small investors, and to the capital formation process from this practice, I would support efforts to move swiftly to ban preferencing on exchanges.

KEN HAAG, FRIEND AND TALENTED ARTIST

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. VENTO. Mr. Speaker, a friend and talented artist, Ken Haag, passed away May 16, suddenly and unexpectedly, at his Eastside Saint Paul home. Ken's loss will be heartfelt by the entire community and neighborhood. Ken Haag poured his great energy and talent back into the State of Minnesota, our Eastside neighborhood, and his wonderful family.

Ken was a constant and joyful volunteer. He lent real meaning to the role of citizenship, working as an artist but deeply involved in music, education, environment, and housing activities. He was a modern day renaissance man.

Ken took special pride in his high school experience. His artistic talent was recognized by establishing a scholarship program at Saint Paul's Johnson High School.

Ken Haag's distinctive art works depicting wildlife and Minnesota settings benefited many publications. Especially notable were the Minnesota Department of Natural Resources Volunteer covers.

Ken's cultural roots were Scandinavian, and for over three decades he was a loyal member of Saint Paul's Swedish Male Chorus. Ken was a real pioneer—a quiet, no-nonsense activist who was often at the cutting edge of issues.

Ken attained good success and continued to live and thrive, and give back to our community much more than he ever received. Ken will be missed. Thanks, Ken.

I encourage my colleagues to read the following article about Ken Haag, which appeared in the Saint Paul Pioneer Press on May 18.

[From the St. Paul Press, May 18, 1996]

MAGAZINE ARTIST KEN HAAG DIES

(By Anne Brataas)

A memorial service for St. Paul wildlife and sporting magazine artist Ken Haag will be at 4:30 p.m. Tuesday at Gustavus Adolphus Lutheran Church, 1669 Arcade St., St. Paul.

Haag, 63, died early Thursday of a heart attack in his East Side St. Paul home.

A St. Paul native, Haag graduated from Johnson High School and the Minneapolis School of Art and Design, served in the U.S. Navy and attended Gustavus Adolphus University.

''He was always drawing,'' his wife, Barbara, recalled. ''Even as a little kid, he would copy what he saw in the funny papers.'' Since 1985, Haag had created the cover artwork and illustrated articles for Sports Collector's Digest. He illustrated nature guides for Picture magazine of the Minneapolis Sunday Tribune from 1963 to 1969 and created the cover art for the Minnesota Volunteer magazine from 1963 to 1975.

In addition to art, Haag particularly enjoyed baseball, music and nature, and was an avid observer of waterfowl on St. Paul's Lake Phalen. He was a past president of the Minnesota Bird Club and a member of the Zumbrota Covered Bridge Society.

For 32 years, he was a member of the St. Paul Swedish Male Chorus.

Among other community activities, Haag staffed the annual Festival of Nations' Swedish booth and served as president of the Phalen Lake Elementary School PTA for the 1976–77 school year.

He also chaired the Minnesota Environmental Citizens Control Agency speakers bureau from 1969 to 1972 and the East Side's Volunteer Housing Committee in 1975.

In 1991, a Ken Haag Art Scholarship was begun in his honor at Johnson High School. It awards $250 each year to a student who demonstrates outstanding artistic ability to be used for further art education.

Haag had already selected this year's winner before his death. His children will present the award in his memory and dedicate a portion of the memorials received for future scholarships.

Haag is survived by his father, Hans of St. Paul; his wife, Barbara; four daughters, Camille Farinella of St. Paul, Michelle Beaulieu of North St. Paul, Dorinne Foster of Maplewood and Kendra Haag, St. Paul; one son, Chad Haag, St. Paul; six grandchildren; and two sisters, Jan Cruz of Hugo and Grace Potter, St. Paul.

A private family funeral is planned.

THE REASON WE'VE MADE ELWHA A PRIORITY

HON. RICK WHITE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. WHITE. Mr. Speaker, I consider myself one of the luckiest Members of this Chamber. My home is in the Puget Sound region of Washington State and I don't think there is a more beautiful area in this whole country. Our entire region is surrounded by water and mountains.

Like the people in my district, I take our environment seriously. That is why I think we need to do a better job of preserving and protecting our environment than we are doing right now. In order to do that, we have to spend our environmental money where it can have the greatest positive impact.

One example of how we can spend our money more efficiently is in restoring wild salmon runs to our Northwest rivers. The Federal Government now spends hundreds of millions of dollars every year to improve salmon runs on these rivers. Unfortunately, much of this money is wasted. We don't really know how to restore salmon runs in urban or heavy farming areas, and we end up spending lots of money with very little to show for it.

One place where our money could really make a difference is on the Elwha River on the Olympic Peninsula. Almost all of the Elwha, from Mount Olympus to the Strait of Juan de Fuca, flows through the Olympic National Park. This environment is in the same pristine condition it was 100 years ago, when all five species of wild salmon returned to the river every year by the hundreds of thousands.

The Interior bill that we are debating today is a massive bill that will determine how some of our money will be spent next year. Given the scope of this bill, I'm especially pleased that the Elwha project has been made one of the bill's three top priorities. In fact, the bill includes language that recognizes the Elwha River represents a unique opportunity to restore salmon runs in the Northwest without compromising our goal to balance the Federal budget.

This is a perfect example of what this Congress is all about—smart spending.

The first step in restoring salmon to the Elwha requires that we purchase the two dams that have been built on the river. Over the past month, I've had the pleasure of working with Chairman REGULA, Chairman LIVINGSTON, Congressman NORM DICKS, the senior Senator from Washington State, SLADE GORTON as well as members of the Washington State delegation in an attempt to get some of the funds we need to move this project forward. We still have a lot of work ahead of us, but at least we are making progress.

The bill that we will vote on today not only contains language making the Elwha project a top priority, it also gives the President the ability to use some of the money contained in this bill to purchase the Elwha dams. That is good news because the administration has made this project a priority. By passing this bill today, we give the administration the chance to turn their talk into action by using some of the money in this bill to buy the dams.

In these times of tight budgets it's a tragedy to waste a single dollar that is designated for the environment, because it may be difficult to replace that dollar in the future. If we can continue to keep focused on spending our environmental money where it can really have an impact, we will improve our environment so that it can be enjoyed today and in the future.

SUPPORT THE POSTAL SERVICE CORE BUSINESS ACT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. HUNTER. Mr. Speaker, I rise today to introduce legislation to protect a small business industry from unfair Government competition. These small businesses exist in every congressional district and employ tens of thousands of people. The Government agency which is competing with them is one of the largest organizations in the world—the U.S. Postal Service [USPS]. My bill will insure that the Postal Service does not compete with these small businesses, while still maintaining the viability of the Postal Service to maintain its core business: the delivery of mail.

Over the last 15 years, the American marketplace has fostered many new industries; one of these is the commercial mail receiving agent [CMRA]. The average American knows these businesses by their brand names: MailBoxes, Etc; Postal Annex; PostNet; Pakmail; and Parcel Plus. Together these franchise organizations represent over 4,000 store owners in all parts of the country, with an additional 6,000 stores which are not affiliated with any franchise organization. The CMRA industry is about 10,000 strong.

What are CMRA's? This industry provides value added and ancillary services to postal customers and serve as mini-offices for many home-based businesses and sales people. Specifically, CMRA's provide the materials and help their customers safely pack parcels to ensure safe delivery; they help customers identify the most efficient and cost effective manner to send their packages; they oversee mailboxes and offer personalized postal services to their customers; and these are just to name a few. Over 15 years ago, Tony DeSio saw the need for these services within his community of San Diego County, and he opened the first Mailboxes Etc. The rest, as they say, is history.

These services simply were not provided at the USPS, however, given the rate by which this industry has exploded in less than two decades, there were clearly a need within our communities. This new kind of postal store provided these services and provided them quickly and efficiently. In a very short time, this one small store has grown into an industry of nearly 10,000 small business men and women who every day provide these services to their friends, neighbors, and customers.

So what is the problem here, Mr. Speaker. So far, this story sounds like the American dream. Every day, American small business owners invest their own capital and work to achieve the American dream. That would be the case in this instance if it were not for one major problem: the Postal Service which has enormous taxpayer supported advantages, has decided to directly compete with this industry.

Mr. Speaker, that is simply wrong. I am a big supporter of the U.S. Postal Service. Like every other Member of this body and every American, I depend upon the hard work and dedication of the Postal Service employees for the timely delivery of my mail 6 days a week, and I want a strong USPS. I do not think it is fair, however, that the Postal Service should start targeting small businesses for its revenue. This CMRA industry is home grown, and it should not be preyed upon by the U.S. Government.

After all the USPS is a government industry with the following enormous advantages:

The USPS does not charge tax on its retail items—that is a 5–10 percent advantage right there.

The USPS is self-insured as an agency of the U.S. Government—these small business CMRA's have to purchase insurance.

The USPS does not have to make a profit—there is nothing that requires them to be profitable as far as I know. When they are under

threat of not breaking even, they request a postal rate increase.

The USPS borrows money from the U.S. Federal Reserve at the most favorable rates—CMRA's have to borrow money at market rates.

The USPS has a statutory monopoly on the delivery of first class mail, the revenue of which can be used to subsidize other services.

Perhaps the biggest advantage of all is its size. If the Postal Service was a private business, it would be ranked as the 12th largest business in the Nation, and 33d largest in the world.

Is it right that the Postal Service should enter into competition with small businesses with all of these inherent advantages? Would the Congress stand by and allow Ford to maintain a monopoly, while letting them use their profits to compete against small businesses on a different front? Would the Congress let Exxon compete with small businesses if it had limited sovereign immunity and was represented by the Department of Justice? The answer is a resounding no.

Mr. Speaker, the Postal Service has a job to do—deliver the mail and sell postage. That is what it was designed to do by the Founding Fathers. These core services are what the Postal Service is good at, and what it should continue to do. Offering ancillary services only detracts from their core mission.

My bill, the Postal Service Core Business Act, specifically prohibits the USPS from getting into the CMRA business. It addresses the question of what is the proper role for the Postal Service in areas where private industries already provide the service. That role is to stay out of private businesses way and let the marketplace work.

My bill is remarkably simple. The Postal Service is prohibited from competing with private industry, like the CMRA's, unless the Postal Service was offering the service nationwide as of January 1, 1994. The purpose of the bill is to draw a clear line as to what the USPS can and cannot do.

Such a line is necessary. I am familiar with reports of postal executives stating that they need to get into retail businesses to protect the Postal Service. That is simply not true. This is an agency which made $1.5 billion last year and has stated that it expects to make in excess $500 million this year. This is not a suffering agency.

Furthermore, the USPS is an agency which does not seem to understand its mission. Representatives of the Postal Service have lauded the organization as the country's largest retail distribution system with 50,000-plus outlets, and announced their intention to increase its retail revenue by $1 to $1.5 billion in the next few years. This is wrong. All of those outlets were built with taxpayer money and stamp revenue. The U.S. Government and the taxpayer built this system, but not to be a competitor with the private sector.

Mr. Speaker, this is a vital bill. I again voice my strong support for the Postal Service, I want to help it remain strong and vital. Competing in industries which the private sector has created is not the way to meet their goal. My bill would redirect the Postal Service to its core mission: Mail delivery and stamp sales. That's why I call the bill the Postal Service Core Business Act of 1996. American corporations have learned that to be successful, they must concentrate on their core business. The Postal Service needs to understand this too.

Congress has the ultimate authority over the Postal Service. The House Postal Service Subcommittee, chaired by my friend and colleague, JOHN MCHUGH, is beginning to craft postal reform legislation. I hope that the subcommittee will give my bill serious consideration. This issue needs to be addressed. A vital Postal Service is critical to our Nation's future, but Congress must not stand by and let a giant Government agency destroy a whole industry of small private businesses. It is interesting to note that all of these CMRA's stores are independently owned and operated. There is not one franchise organization which runs stores as a corporation. This makes the industry very unique, and has directly contributed to their profitability.

Mr. Speaker, there is not a single congressional district without at least one of these CMRA stores within its borders. Therefore, I urge my colleagues to join me in this legislation, which will most assuredly effect a small business within their hometown. This bill is pro-Postal Service and pro-competition. Every American has the right to the American Dream. These small business owners look to us to insure that their dream is not taken from them.

COMMUNICATIONS PRIVACY AND CONSUMER EMPOWERMENT ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. MARKEY. Mr. Speaker, I rise to introduce the ''Communications Privacy and Consumer Empowerment Act. The issue of privacy in the information age and in particular, children's privacy protection, is quite timely as the Nation becomes ever more linked by communications networks, such as the Internet. It is important that we tackle these issues now before we travel down the information superhighway too far and realize perhaps we've made a wrong turn.

Thomas Mann once said, ''A great truth is a truth whose opposite is also a great truth.''

The great truth of the Information Age is that the wire—and I use the term ''wire'' as shorthand for any telecommunications infrastructure such as phone, cable, computer, or wireless networks—the wondrous wire that brings new services to homes, businesses, and schools will have a certain Dickensian quality to it: It will be the best of wires and the worst of wires.

It can uplift society as well as debase it. It can allow people to telecommute to work and obtain distance learning classes. New digital technologies and other innovations allow corporations to become more efficient workers more productive, and businesses to conduct commerce almost effortlessly in digital dollars.

This same technology however, will avail corporate America of the opportunity to track the clickstream of a citizen of the Net, to sneak corporate hands into a personal information cookie jar and use this database to compile sophisticated, highly personal consumer profiles of people's hobbies, buying habits, financial information, health information, who they contact or converse with, when and for how long. In short, that wondrous wire may also allow digital desperadoes to roam the electronic frontier unchecked by any high technology sheriff or adherence to any code of electronic ethics.

It is this issue of hijacking personal information that we are concerned about and we are obviously concerned when kids are the target.

The issue of child and adult privacy in an electronic environment, must find its ultimate solution in a carefully conceived and crafted combination of technology, industry action, government oversight or regulation.

Without question, the issues posed by advances in digital communications technology are tremendously complex. Again, how best to protect kids is a complex issue. How to put teeth into privacy protections is also important to figure out. What may have worked for privacy protection or parental empowerment in the phone or cable or TV industry may not adequately serve as a model when these technologies converge. Therefore I believe we must pursue other alternatives.

We must recognize that children's privacy is a subset of a parent's privacy rights. The bill I am introducing today is premised on the belief that regardless of the technology that consumers use, their privacy rights and expectations remain a constant. Whether they are using a phone, a TV clicker, a satellite dish, or a modem, every consumer should enjoy a Privacy Bill of Rights for the Information Age. These core rights are embodied in a proposal I have advocated for many years and I call it ''Knowledge, Notice and No.''

In short, consumers and parents should get the following three basic rights:

First, knowledge that information is being collected about them. This is very important because digital technologies increasingly allow people to electronically glean personal information about users surreptitiously. I would note here that many Internet browsers, for example, use ''cookies''—a technology that can identify and tag an online user—unbeknownst to the user—and keep track of what Web sites a person visits.

Second, adequate and conspicuous notice that any personal information collected is intended by the recipient for reuse or sale.

Third, and, the right of a consumer to say ''no'' and to curtail or prohibit such reuse or sale of their personal information.

The National Telecommunications and Information Administration [NTIA] has been actively studying how to safeguard telecommunications-related personal information. ''Privacy and the NII,'' an analysis completed by NTIA in October of 1995, documented a number of areas where personal privacy protections varied depending upon which network carrier provided a telecommunications service. For example, the Cable Act requires cable operators to notify subscribers at the time of subscription of the operator's information practices and generally prohibits an operator from disclosure of personal data. Such protections, however do not extend to video services offered by DBS providers or wireless cable operators. Under the legislation I am introducing today, the FCC will be tasked with harmonizing the privacy protections across board so that strong, tough privacy policies exist regardless of the technology that a consumer uses to obtain a service.

The bill is structured in a way that will first ascertain whether there are technological tools that can empower consumers and parents.

The bill also requests the agencies to determine if there are industry standards and practices that embody this electronic Privacy Bill of Rights. Where technological tools don't exist, or where a particular industry refuses to embrace this code of electronic ethics in a way that solves the problem, then the Government is obliged to step in and reinforce protection of privacy rights.

I implore the industry to act swiftly because the current situation is utterly unsustainable. The same libertarian quality that has stimulated such rapid growth of the Internet gravely threatens to cripple its promise. It is chaotic, free, and open, but has spawned an exponential increase in commercial voyeurism that is tearing privacy rights asunder. While Jack Kerouac would have a fine time joyriding from site to site on the World Wide Web, I believe that many, many citizens of the Net would be particularly troubled to find that their personal data—their usage of the World Wide Web itself—can be and is being tracked. At risk is consumer confidence in the medium. When consumer confidence plummets so will economic activity on the Internet.

My legislation will establish ''Knowledge, Notice, and No'' as the goal and will require Government action where the technology or the industry fail to adequately protect consumers and kids.

CONGRESSIONAL BLACK CAUCUS HOLDS HEARINGS ON CHURCH BURNINGS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. CLAY. Mr. Speaker. Today the Congressional Black Caucus [CBC] held hearings on the rash of church burnings occuring across the Nation. The list of panelists included government officials, civil rights leaders, religious leaders, the Fraternal Order of Police, and the Anti-Defamation League. Each made a significant contribution to the dialog on increasing the Federal response to the church burnings. However, one of the most poignant and thought-provoking statements was submitted by the youngest member of the Caucus, Hon. JESSE L. JACKSON, Jr.

I commend Congressman JACKSON'S remarks to my colleagues with hopes that his words will be as enlightening to Members as they were to those in attendance at today's hearing.

STATEMENT BY CONGRESSMAN JESSE L. JACKSON, JR.

Mr. Chairman, I want to commend you for calling these hearings. They are necessary. They are important. They are informative and help to educate and arouse the American people and elected officials to corrective action.

I want to commend the Justice Department, and especially Deval Patrick, the Assistant Attorney General for Civil Rights, for his tireless and ceaseless efforts at investigating these crimes against God and humanity.

The Congress deserves some credit for passing a stronger law on Tuesday that gives the Department of Justice greater leverage in prosecuting those who engage in the desecration or destruction of property belonging to religious institutions.

I want to thank President Bill Clinton for his forthright leadership in going to South Carolina and seeing first hand the crisis and meeting with the victims whose church has been destroyed. That is a necessary and effective use of the bully pulpit of the presidency.

What has happened? Over 63 African American churches have been burned over the past five years. Other churches, with African American members, have been burned. There has been a pattern. The firebombed churches have almost all been very small rural churches located in isolated areas.

Why is this happening? Is it a legal conspiracy? The jury is still out—and the investigation is still on—with regard to a legal conspiracy.

Is it a cultural conspiracy? And what is meant when someone says that? Let me try to explain. I am from Chicago and a big Chicago Bulls fan. When Michael Jordan shoots a 3-point shot, Chicago fans jump in excitement because Michael Jordan just made a basket. But guess what? Michael Jordan fans in Los Angeles, Dallas, Miami and all around the country jump up too—a kind of cultural conspiracy, if you will—because, in basketball terms, Michael Jordan represents the common denominator through which all of his fans relate.

What's the parallel to church burnings? When we talk about cultural conspiracies with respect to church burnings, we are talking about some politicians, some radio and television talk-show hosts, and other hate mongers around the country fanning the flames of economic insecurity and race hatred, fanning the fears of racial animosity with anti-affirmative action, anti-majority-minority, anti-immigration propaganda from the very top of our nation, creating a kind of racial cultural conspiracy.

In 1964, in reaction to Brown v. Board of Education decision in 1954 and the resulting civil rights movement, Barry Goldwater, a Republican, ran his presidential campaign talking about States' rights. It was a way of saying that States had a way around the equal protection clause of the Constitution of the United States.

In 1968, in response to the 1967 and 1968 riots and the anti-Vietnam mass protests, Richard Nixon, a Republican, ran his campaign on a law and order theme.

In 1972, George Wallace, a Democrat, ran his campaign in reaction to attempts to desegregate the schools, on an anti-busing platform.

In 1976, even Jimmy Carter, also a Democrat, gave a speech in Indiana talking about ethnic purity.

In 1980 and 1984, Ronald Reagan talked about welfare queens; and in 1988 it was George Bush who used Willie Horton.

Even our current President, in 1992, used Sister Souljah in his bid to become the President of the United States.

This year we heard Pat Buchanan, a presidential candidate, equate ''We Shall Overcome'' with whistling ''Dixie.'' He said those who sing ''We Shall Overcome'' and those who whistle ''Dixie'' are both involved in freedom movements.

Well, if whistling ''Dixie,'' protecting the Confederacy, and ''We Shall Overcome,'' fighting for equal protection under the law, can be equated, it suggests that either we are all missing the boat or that something is taking place within our nation that has not been healed (even) since the Civil War.

The Republicans took control of Congress in 1994, and, Tom Wicker reports in his new book, Tragic Failure, ''on January 23, 1995 . . . in the ornate hearing room of the House Rules Committee, the victorious Republicans removed a portrait of former Representative Claude Pepper of Florida, a renowned white liberal Democrat. That was understandable, but the new Republican committee chairman, Gerald Solomon of New York, had order the Pepper portrait replaced by that of another Democrat, the late Howard Smith of Virginia, a last-ditch segregationist and in his many years as Rules Committee chairman one of the most powerful opponents of the civil rights legislation of the sixties.''

All of the above were seeding the clouds of racism; all were using race to manipulate voters; all were engaged in a cultural conspiracy to exploit the racial fears and insecurities of the American people. Such words and actions help to set a national climate that appeals, not to the best in us, but to the worst in us. And that climate rubs the sticks, strikes the spark, and fans the winds, that eventually bring us the burning down of Black churches.

Even this year, expect affirmative action to be the centerpiece of another political strategy to manipulate the American people onto a so-called race issue—which really isn't a race issue, since white women have been the biggest beneficiaries of affirmative action. But it will divert attention away from issues of substance. We need jobs and a full employment economy. We need a single-payer national health care system. We need affordable housing for all of our people. We need an educational system that prepares our young people to work in the 21st century. We need our national infrastructure rebuilt—our roads, sewers, bridges, airports, seaports and rails. We need our cities rebuilt. We need family farmers restored to their land. We need our environment cleaned up.

That is what we need, but what we will likely get is diversion—affirmative action, California Civil Rights Initiative, proposition 187-type issues scapegoating immigrants and more.

That is why this hearing is so important. This hearing helps to clarify what is really going on. It helps to identify what politicians are really doing. It helps to educate the American people so they can insulate themselves from such diversion and, hopefully, demand more of those running for public office in 1996.

So I want to thank you again, Mr. Chairman, for your insight and wisdom in calling for this hearing. And thank you for inviting me to participate.

TRIBUTE TO JUAN C. TENORIO

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. UNDERWOOD. Mr. Speaker, back home in Guam this month, the architectural/engineering firm of Juan C. Tenorio Associates, Inc., is celebrating its 25th anniversary. It is a significant milestone for a company president, Mr. Juan C. Tenorio, a fellow Chamorro who believed in himself and worked hard to achieve success. His is a classic American success story, and I am proud to relate it here for the RECORD.

From his simple beginnings on the island of Saipan, Mr. Tenorio moved to Guam at the age of 14. At age 20, he enrolled at Marquette University in Milwaukee, WI, to study civil engineering. While there, he also signed up for ROTC. Juan Tenorio graduated in June 1962. After a brief stint with the Los Angeles road department, Mr. Tenorio joined the U.S. Army. He spent 30 years with the Army Corps of Engineers, active and reserve, and retired as a

full colonel. After earning his engineering license in California, Mr. Tenorio returned to Guam. Even before his arrival, word had spread in Guam that a native son was coming home as a licensed civil engineer. Almost immediately, Mr. Tenorio was urged to take on the directorship of GovGuam's Department of Public Works. After serving as director for 2 years, Mr. Tenorio struck out on his own. The rest, as they say, is history.

In 1971, the firm of Juan C. Tenorio began as a three-man operation in a shared office space. Its first year revenue was only $30,000. Today, Juan C. Tenorio and Associates employs more than 50 people and grosses several millions annually. Its design projects include major infrastructure improvements in Guam and Saipan, hotels, shopping centers, marinas, golf courses, resort complexes, and Guam's new Southern High School. As noted by Juan C. Tenorio's chief designer, Francisco Z. Diamzon, ''When you combine the experience and expertise of the staff, you'll find that there is over 120 years of experience in this company. I am happy and proud to say I am part of that team.'' As company president and team leader, Juan remains a hands-on practitioner of the engineering profession.

Juan C. Tenorio was the first Chamorro licensed civil engineer to venture into business. His success paves the way for other up-and-coming young professionals. His determination and commitment, his professionalism and personal integrity, have earned him the admiration and respect of the people of Guam and the Northern Marianas. I gladly join them in extending hearty congratulations and best wishes for many more years of success to Juan and his family, his wife Charlene and daughters Christina, Lisa, and Tico, and to the staff and management of Juan C. Tenorio & Associates, Inc. May your next 25 years bring continued growth and prosperity.

STOP THE FIRES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. RANGEL. Mr. Speaker, I rise to express my outrage and that of good Americans across this great country at the wave of suspicious fires that have swept at least 30 churches in the South in recent months. Churches and synagogues are the cornerstones of our communities, providing the moral and spiritual cultivation that our society so desperately needs. I ask all my colleagues in the House to voice their condemnation of these deplorable acts. Vandalizing places of worship is not a partisan issue.

I also call on all the moral leaders of our Nation and those of every religious background to stand against these acts of terror. Every synagogue, mosque and church is vulnerable to the same acts of terrorism committed against our black churches and it is crucial that leaders of every religious denomination speak out against the vandalism of our Nation's houses of worship.

It is a shame that the history of violence and intimidation toward black people in this country is repeating itself. Will we allow hate groups such as the Ku Klux Klan, the Aryan Nation, skinheads, and other white supremacist organizations to rise again? Will we allow the historic achievements of our courageous freedom fighters who sought to create a nation of fairness and racial harmony to be further defamed?

In our society, arson of a church attended predominately by African-Americans carries a unique and menacing threat to individuals in our Nation who remain physically vulnerable to acts of violence and intimidation because of their race. Such threats are intolerable and individuals responsible for such acts must be aggressively pursued and apprehended.

As churches burn from flames of hate and intolerance, there are those in our society who would dismantle civil rights legislation and affirmative action that have provided assistance to groups in our Nation who have been discriminated against due to their race, sex, or religious beliefs.

We as a Nation must not allow the practice of scapegoating others because they are of a different race or nationality or poor to continue. Our Nation was built on diversity and we must refute any beliefs that condone or support an atmosphere of blame and intolerance against those in our society who are defenseless, particularly our sick, poor, and aged. Just as the churches, synagogues, and mosques shelter our weak and defenseless, we as Americans have an obligation to protect those houses of worship from vicious attacks.

I commend President Clinton and Attorney General Janet Reno on their quick responses to investigate these criminal acts of terrorism and I hope those who make such treats will be prosecuted and will serve sentences commensurate with the cowardly and despicable nature of their actions.

RECOGNITION OF FOUR OUTSTANDING BUSINESS LEADERS

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. TALENT. Mr. Speaker, I rise today to recognize four individuals from Missouri's Second Congressional District who are being honored by the St. Charles Chamber of Commerce and by the city of St. Charles, MO, for excellence in their businesses and community-oriented projects.

Mr. Bob J. Kirkwood, proprietor of Lewis & Clark's Restaurant and the Trailhead Brewing Co., has been named the 1996 Small Business Person of the Year by the St. Charles Chamber of Commerce. Through his hard work and leadership, Lewis & Clark's has grown into one of the most successful restaurants in the St. Louis area. In 1995 he opened the Trailhead Brewing Co., which is also experiencing phenomenal growth in its first year. Mr. Kirkwood has also been a leading advocate for other restauranteurs and small business owners through his work with the National Restaurant Association.

Mr. Manuel E. Joaquim of Findett Corp. has been recognized as the 1996 Employer of the Year in Manufacturing. Findett Corp. is a custom manufacturer of specialty chemicals for major corporations across North America. Under Mr. Joaquim's leadership, Findett's sales have increased rapidly over the past 5 years. His employees also participate in numerous civic and community projects around the St. Charles area.

Mr. Jim Trenary of Jim Trenary Chevrolet has been recognized as the 1996 Employer of the Year in Retailing. Trenary Chevrolet, which opened in October of 1993 with 12 employees, currently has 43 employees with plans to expand and improve its facilities. Mr. Trenary has been in the automobile business 29 years, and he has served on numerous civic and business organizations in the St. Charles area.

Mr. Ray Pickett of Pickett, Ray, & Silver, Inc. has been named the 1996 Employer of the Year in Service. Mr. Pickett's company specializes in civil engineering, land planning, surveying, and construction management for numerous types of developments. Pickett, Ray, & Silver has experienced rapid growth, while providing highest quality of products and services to its customers.

Mr. Speaker, these gentleman and their companies are to be commended for their dedication to their customers, communities, and their country, I ask that you join me in congratulating them on these fine achievements.

RECOGNIZING SAME SEX MARRIAGE IS IN THE INTEREST OF THE MAJORITY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. FRANK of Massachusetts. Mr. Speaker, I recently received a letter from a former congressional staffer who passed along to me a column she had found in the Cleveland Plain Dealer on the subject of the pending same sex marriage bill. I think the article is an eloquent and forceful explanation of a point of view which very much ought to be understood by the Members before they vote on this legislation, and I ask that it be reprinted here.

[From the Cleveland Plain Dealer, June 9, 1996]

SAME-SEX MARRIAGES DESERVE RECOGNITION; PARTNERS NEED THE CHANCE TO LIVE IN PEACE

In a nation wracked by child abuse, domestic violence and divorce, it's hard to believe that politicians would spend their energy condemning people for loving each other. But that's exactly the effect of the so-called Defense of Marriage Act, which would prevent the U.S. government from recognizing same-sex marriages, even if those marriages are legal in individual states.

The act's congressional sponsors describe it as ''protection'' for the American family. However, as a married man, I am unable to discern the threat. On the contrary, I have come to believe that legalizing gay unions would actually strengthen the institution of marriage.

I did not always hold this conviction. As a teenager, I was bombarded with the same messages about homosexuals as most Americans. And I absorbed those messages: Gays were strange, perverted, lacking in morals. Besides, in my obsession with my own burgeoning heterosexuality, it seemed unfathomable that any male would not be sexually interested in females.

In the ensuing years, my opinions began to shift as I learned about the origins of sexual orientation. But I didn't change much until about age 25. That's when I met Bob and Scott.

Bob was a co-worker of Kelly, my girlfriend whom I would later marry. One day, Bob asked Kelly if we would like to join them for dinner. Kelly accepted readily, but my discomfort was palpable. On the way there, I asked Kelly what I should do if either of these men tried to hug me.

My uneasiness lasted throughout the evening. And even today, more than a decade later, it still creeps up on me at times. But as I got to know Bob and Scott, and other gay people since then, I reached this conclusion about homosexual relationships: They are not much different from heterosexual ones.

At their essence is the same kind of spark that exists between straight couples. They go through the same excitements and disappointments. And, like their straight counterparts, gay relationships are far more about respect, trust and commitment than they are about sex.

The most significant difference between gay and straight relationships, I discovered, was the atmosphere in which they exist. The love between straight people is celebrated and affirmed; gay love is attacked and condemned.

Legalizing homosexual marriages would diminish these attacks. It would take the wind from the sails of the true sexual bigots, encouraging an evolution in attitude similar to the one we have experienced with interracial and inter-religious unions. Gay people, at least to some extent, would be freed from their embattled status.

But the benefits of gay marriage, I believe, would extend beyond the gay community.

The rest of us would benefit because legitimizing gay marriage would bolster the institution of marriage. How? By reminding all of us that at its core, marriage is not so much about gender, or sex, or politics, but about caring, maturing, committed love.

PERSONAL EXPLANATION

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. THOMAS. Mr. Speaker, yesterday I missed a vote on an amendment to H.R. 3662, which passed by a 93 vote margin, 257 to 164. I oppose the amendment which would resume designating critical habitat for the marbled murrelet and would have voted against the amendment had I not been detained discussing a matter of importance to some of my Tulare County constituents with Members of the Senate in the Senate Chamber.

For too long, the Endangered Species Act has hurt our economy and wasted public resources. As a cosponsor of H.R. 2275, I believe Congress must reform the Endangered Species Act, so that it will contain strict requirements for scientific documentation and mandate objective evaluation of evidence prior to any species being listed and a habitat designation made. If society wants to protect a species, then society should pay for it, and not lay the costs onto the backs of that segment of society who own property on which so-called endangered species live.

FOOD STAMPS AND THE ELECTRONIC BENEFIT TRANSFER SYSTEM

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. ROBERTS. Mr. Speaker, today I am introducing legislation concerning the Food Stamp Program and the electronic benefit transfer [EBT] system, on behalf of myself and BILL EMERSON, the chairman of the Department Operations, Nutrition, and Foreign Agriculture Subcommittee, who is an expert in the food stamp and EBT programs. We are introducing this bill, along with other members of the Committee on Agriculture, because we believe that EBT systems, in which food stamp benefits are provided through a debit card system instead of coupons, are the preferred choice of delivering food benefits. The inspector general of USDA, in his testimony of February 1, 1995, before the committee, made it clear that EBT systems, while not eliminating trafficking in food stamps, were superior to coupons and a tool that can be used in tracking down persons abusing the Food Stamp Program.

It is vital that States be allowed to proceed with implementation of EBT systems for the Food Stamp Program. An element that is standing in the way of implementation of EBT is a Federal Reserve Board rule known as regulation E. This rule, among other provisions, would create a new entitlement to the replacement of food stamps for persons receiving their benefits under an EBT system. The bill we are introducing provides that regulation E will not apply to the Food Stamp Program.

The National Governors' Association supports exemption of State and local EBT programs from the regulation E provisions and have stated their opposition to unfunded mandates that are created by the liability provisions of regulation E. The National Governors' Association also stated that without this exemption, States will not be able to move forward with EBT.

For more than 10 years the U.S. Department of Agriculture [USDA], at the direction of Congress, has been investigating the feasibility, cost-effectiveness, and general impact of using an electronic benefit transfer [EBT] system to issue food stamp benefits. Paper coupons are replaced and recipients use a debit-like card at the grocery store checkout. Counties in several States, including Pennsylvania, Minnesota, New Mexico, and New Jersey have implemented EBT and Maryland, Texas, Utah, and South Carolina have EBT systems statewide.

USDA has found that EBT administrative costs are lower than coupon issuance costs; that food stamp benefit loss and trafficking are reduced; grocery store costs are reduced; food stamp participants prefer EBT; and financial institutions also prefer EBT and their costs are reduced.

Law enforcement officials have spoken in favor of EBT because it provides an electronic trail of abuses in the program. While trafficking is not eliminated under an EBT system, incidental street trafficking is reduced considerably.

States want to move ahead with EBT. Regulation E rules stand in their way. Until recently, USDA viewed regulation E as inappropriate for the Food Stamp Program. USDA, in May 1993, stated its opposition to the applicability of regulation E to its programs because those programs do not fall under the jurisdiction of that regulation; legislation and regulations for the USDA programs already have provisions for benefit recipient rights and protection; and regulation E may reduce benefit recipient's services.

However, in June 1995, the Federal Electronic Benefits Transfer Task Force, represented by officials from the Office of Management and Budget, the USDA, and the Department of Health and Human Services, stated its opposition to removing regulation E applicability for the food stamp and other assistance programs. This is very unfortunate and this position is contrary to the positions of the National Governors' Association, the National Conference of State Legislators, the National Association of Counties, and the American Public Welfare Association.

According to a 1993 Department of the Treasury study, application of regulation E for State EBT systems would cost States over $800 million per year for Aid to Families with Dependent Children [AFDC], food stamp and general assistance programs. This represents an unfunded mandate to the States and many States have said they could cease EBT program planning and operations if regulation E is applied to them.

For these reasons we are introducing this bill today and urge our colleagues to support it.

H.R. —

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 ''Encouragement of Electronic Benefit Transfer Systems Act''.

SEC. 2. AMENDMENT.

Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)) is amended by adding at the end the following:

''(7) ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

''(A) IN GENERAL.—The disclosures, protections, responsibilities, and remedies established under section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b), and any regulation or order issued by the Board of Governors of the Federal Reserve System in accordance with such Act, shall not apply to benefits under this Act delivered through any electronic benefit transfer system.

''(B) REPLACEMENT OF BENEFITS.—Any regulation issued by the Secretary regarding the replacement of benefits under this Act, and liability for replacement of benefits under this Act, and liability for replacement of benefits under this Act, under an electronic benefit transfer system shall be similar to the regulations in effect for a paper food stamp issuance system.

''(C) DEFINITION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—As used in this paragraph, the term 'electronic benefit transfer system' means a system under which a governmental entity distributes benefits determined under this Act, or other benefits or payments, by establishing accounts to be accessed electronically by recipients of the benefits, including through the use of an automated teller machine, a point-of-sale terminal, or an intelligent benefit card.''.

THANK YOU, WILLIAM C. AYRE

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. BARCIA. Mr. Speaker, the heart of our democratic system of Government is local government. People concerned about the current situation and future of their communities depend upon local government to meet their most immediate needs. And the success of local government depends upon dedicated individuals who are willing to deal directly with both the people and the issues on a daily basis.

For the past 18 years, Genesee Township, within my congressional district, has had the good fortune to be ably represented by William C. Ayre, as the Township's Supervisor. He is retiring after 18 years of commitment to making Genesee Township a constantly better place, and he is being recognized for his service tomorrow evening.

William Ayre is one of those individuals who works at causes in which he believes. In addition to having been Township Supervisor for the past 18 years, he has also served on several Genesee County committees, the Mass Transit Authority, the Genesee County Economic Growth Alliance, the Flint Area Narcotics Group, as well as several positions within the Michigan Townships Association. In fact, he served as the president of the Michigan Township Association in 1995, as well as a member of the Board of Directors of the National Associations of Towns and Townships.

His commitment is no surprise to anyone who knows him, as best evidenced by his 36 year marriage to his wife, Sandra. His two children and seven grandchildren who have seen his commitment to his community, and know of his dedication to this nation through his service in the Air Force, including 3 years in Germany, have had the kind of guidance and role model that we hope for for all children.

Mr. Speaker, as William Ayre continues his commitment to his community by now moving on to another position with the Genesee County Road Commission, I ask that you and all of our colleagues join me in thanking him for his years of service, and wishing him the very best in all that lies ahead for him and his family.

ALBANIA TAKES A GIANT STEP BACKWARD IN DEMOCRACY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. PORTER. Mr. Speaker, on May 26 the world watched as Albania, Europe's poorest country, which for decades has suffered under a fanatical strain of communism, held its first elections since the Democratic Party defeated the former Communist Party. But what we saw did not even remotely resemble the makings of democracy. The elections were riddled with fraud, coercion, and other violations before, during, and after the voting. To put it simply, these elections were neither free nor fair. According to a June 6 article in the Washington Post these elections were the most flawed elections held in Eastern Europe since 1989.

Mr. Speaker, when compared to the authoritarian ways of its brutal past, Albanians have made commendable strides in both economic and social reform. But lingering human rights problems and the inability to develop certain democratic institutions raise very serious questions regarding Albania's future.

These recent elections, which are the culmination of an emerging pattern of authoritarian tendencies, should stand as a loud, clear signal to the world that Albania has strayed from the course of democracy. Albania's failure to embrace democracy threatens the stability of the entire Balkan region.

As a champion of democracy throughout the world, the U.S. Government must not, and cannot, ignore the fact that this election was neither free nor fair. It is incumbent upon us to speak out against oppression and subversion of democratic institutions in the struggling countries which are attempting to build them. We must hold accountable those who perpetrate election abuses, or democracy will never take root in Albania.

Mr. Speaker, I urge my colleagues to join me in working to increase security in the Balkan region by urging the Albanian Government to hold elections which are free, fair, and subject to international monitoring. The Albanian people deserve the opportunity to exercise their new democratic ideals, and they deserve our full support.

RECOGNITION OF THE HONORABLE FLOYD FLAKE AND BISHOP DONALD HILLIARD

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1996

Mr. TORRICELLI. Mr. Speaker, on Saturday, June 22, 1996, the Cathedral Second Baptist Church in Perth Amboy, NJ will have a ribbon cutting ceremony for the Donald Hilliard, Jr. community affairs complex. The building will be named in honor of Bishop Donald Hilliard, the pastor of the Cathedral Second Baptist Church.

My friend and colleague, Congressman Floyd Flake, will be the featured guest speaker of Saturday's grand event. Reverend Flake not only represents the sixth congressional district in the State of New York but also is the distinguished pastor of Allen AME Church, Jamaica NY, which boasts more than 6,000 members.

Rev. Congressman Floyd Flake, a man with a vision of empowerment for the African-American people, no doubt will provide an inspiring message on Saturday. As pastor of Allen AME Church, a post he assumed in 1976, he has founded the Allen Housing Development Fund Corp., Allen Christian School and Multipurpose Center, Allen Home Care Agency, Allen Housing Corp., and the Allen Neighborhood Preservation and Development Corp. Furthermore, through numerous other clerical, civic, and community organizations, Reverend Congressman Flake has sought to provide spiritual sustenance reaching far beyond the walls of church. He also shows his tenacity in the House of Representatives as he fights for racial justice and equal rights for all Americans.

Similar to his colleague, Bishop Donald Hilliard, an active and dynamic leader, has also sought to improve the life of not only his members, but of the surrounding area of Perth Amboy, as well. Bishop Hilliard, who currently serves as the senior pastor of the Second Baptist Church of Perth Amboy and Bishop elect of the covenant fellowship of pastors, churches, ministries, and the cathedral assemblies, has nurtured and watched his church grow from a membership of 135 to more than 4,000. Furthermore, he has witnessed the church's budget increase from $73,000 to $3,000,000 annually. Not only does this make his church one of the fastest growing in the State, but is has been cited as a model church for growth by American Baptist churches, U.S.A., as well.

Since 1983, when Rev. Dr. Donald Hilliard was called to pastor the Cathedral Second Baptist Church, both the congregation and church have experienced tremendous growth. The successful purchase and renovation of the historic Majestic theater in downtown Perth Amboy has provided a new house of worship for Bishop Hilliard and his members. The cathedral blends turn of the century elegance with state-of-the-art technology to provide its worshipers with a unique combination of history and future dreams. The church also purchased the historic ELKS lodge, directly across the street from the cathedral, which now has been converted into the Family Life Enrichment Center. This facility is complete with an elegant banquet hall with adjoining kitchen facilities, a library, a learning center, and a computer lab. Renovations are continuing on the third and fourth floors which will house offices, classrooms, a lecture hall, and a liturgical dance/cultural arts studio.

Mr. Speaker, while Bishop Hilliard came to the Cathedral Second Baptist Church with such credentials as his Bachelor of Arts from Eastern College and Master of Divinity from Princeton Theological Seminary, he still found time to complete his Doctorate of Ministry from the United Theological Seminary, Samuel D. Proctor Fellow.

This dynamic speaker has ha the honor of speaking at various churches, conferences, and conventions across the United States and Nigeria, West Africa. He was a visiting lecturer at Boston University, an adjunct professor at Princeton Theological and New Brunswick Theological Seminaries and adjunct faculty at Essex County College.

For more than 12 years, Bishop Hilliard has served as a member of the National Baptist Convention, U.S.A. The national conventions consist of more than 30,000 churches and 8 million Baptist members across the country. He is also affiliated with the American Baptist churches, U.S.A., the Progressive National Baptist convention, the NAACP, United Negro College Fund, served on the advisory board for the Ronald McDonald children's charity, Multicultural advisory board at Eastern College, St. David's, PA, National Advisory Board at the United Theological Seminary, Dayton, OH, Perth Amboy Chamber of Commerce, Middlesex County Youth Services Commission Minority Subcommittee and the Perth Amboy Special Improvement District Committee. Moreover, he has received an award from Soul Brothers Inc. Community Award for outstanding efforts in uplifting the community, the Ronald L. Rice Award for outstanding human services from the NUAC of New Jersey, he

was inducted into the Martin Luther King Jr. Humanitarian Award from Drew University, Madison, NJ, he was inducted into the Martin Luther King Jr. Board of Preachers at Moorehouse College, named executive of the year by Perth Amboy Chamber of Commerce. He was selected as the distinguished alumnus of the year, 1995, by Princeton Theological Seminary and the Evangelism Award by American Baptist Church, U.S.A.

This exceptional pioneer was licensed into the Gospel ministry in 1976 and ordained in 1978. He is married to Minister Phyllis D. Thompson Hilliard and the father of three daughters, Leah Joy, Charisma Joy, and Destiny Joy.

Mr. Speaker, it is an honor and a pleasure to pay tribute to the Cathedral Second Baptist Church in Perth Amboy, NJ, its great leader, Bishop Donald Hilliard Jr., and their distinguished guest, and my illustrious colleague, the Rev. Congressman Floyd H. Flake.

Daily Digest

HIGHLIGHTS

Senate confirmed Federal Reserve System Nominees.

Senate

Chamber Action

Routine Proceedings, pages S6549–S6632

Measures Introduced: Two bills and one resolution were introduced, as follows: S. 1894 and 1895, and S. Res. 267. **Page S6612**

Measures Reported: Reports were made as follows:

S. 1477, to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act to improve the regulation of food, drugs, devices, and biological products, with an amendment in the nature of a substitute. (S. Rept. No. 104–284)

Special Report of Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for fiscal year 1997. (S. Rept. No. 104–285)

S. 1894, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997. (S. Rept. No. 104–286)

H.R. 3517, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, with amendments. (S. Rept. No. 104–287)

H.R. 3364, to designate a United States courthouse in Scranton, Pennsylvania, as the ''William J. Nealon United States Courthouse''.

S. 704, to establish the Gambling Impact Study Commission, with an amendment in the nature of a substitute.

S. 1636, to designate the United States Courthouse under construction at 1030 Southwest 3rd Avenue, Portland, Oregon, as the ''Mark O. Hatfield United States Courthouse''. **Page S6611**

Measures Passed:

Committee Membership: Senate agreed to S. Res. 267, to make changes in Committee membership for the 104th Congress. **Pages S6627–28**

Anti-Car Theft Improvements Act: Senate passed H.R. 2803, to amend the anti-car theft provisions of title 49, United States Code, to increase the utility of motor vehicle title information to State and Federal law enforcement officials, clearing the measure for the President. **Page S6628**

DOD Authorizations: Senate continued consideration of S. 1745, to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, and to prescribe personnel strengths for such fiscal year for the Armed Forces, with committee amendments, taking action on amendments proposed thereto, as follows: **Pages S6582–84, S6586–S6608**

Adopted:

Gramm Amendment No. 4083, to require plans for demonstration programs to determine the advisability of permitting Medicare-eligible military retirees to enroll in the Tricare program and the Department of Defense to be reimbursed from the Medicare program for the costs of care provided to retirees who enroll. **Pages S6582–84**

Craig Amendment No. 4085, to require the Environmental Protection Agency to certify whether the Waste Isolation Pilot Plant (WIPP) facility in Carlsbad, New Mexico will comply with the disposal regulations in accordance with public rule-making procedures. **Pages S6587–91**

Pending:

Kyl/Reid Amendment No. 4049, to authorize underground nuclear testing under limited conditions. **Pages S6586–87**

Kempthorne Amendment No. 4089, to waive any time limitation that is applicable to awards of the Distinguished Flying Cross to certain persons. **Pages S6603–05**

Warner/Hutchison Amendment No. 4090 (to Amendment No. 4089), to amend title 18, United States Code, with respect to the stalking of members of the Armed Forces of the United States and their immediate families. **Pages S6603–05**

Campaign Finance Reform: Committee on Rules and Administration was discharged from further consideration of S. 1219, to reform the financing of Federal elections, and Senate began consideration of the measure, taking action on the following amendment proposed thereto: **Page S6630**

Adopted:

Lott (for McCain) Amendment No. 4092, in the nature of a substitute. **Page S6630**

A motion was entered to close further debate on the bill and, by unanimous-consent agreement, a vote on the cloture motion will occur on Tuesday, June 25, 1996, at 2:15 p.m. **Page S6630**

A unanimous-consent agreement was reached providing for further consideration of the bill on Monday, June 24, 1996. **Page S6630**

Executive Reports of Committees: The Senate received the following executive reports of a committee:

Bilateral Investment Treaty between the United States and Jamaica. (Treaty Doc. 103–35) (Exec. Rept. No. 104–11) **Page S6611**

Bilateral Investment Treaty between the United States and Belarus. (Treaty Doc. 103–36) (Exec. Rept. No. 104–12) **Page S6611**

Bilateral Investment Treaty between the United States and Ukraine. (Treaty Doc. 103–37) (Exec. Rept. No. 104–13) **Page S6611**

Bilateral Investment Treaty between the United States and Estonia. (Treaty Doc. 103–38) (Exec. Rept. No. 104–14) **Page S6611**

Bilateral Investment Treaty between the United States and Mongolia. (Treaty Doc. 104–10) (Exec. Rept. No. 104–15) **Page S6611**

Bilateral Investment Treaty between the United States and Latvia. (Treaty Doc. 104–12) (Exec. Rept. No. 104–16) **Page S6611**

Bilateral Investment Treaty between the United States and Georgia. (Treaty Doc. 104–13) (Exec. Rept. No. 104–17) **Page S6611**

Bilateral Investment Treaty between the United States and Trinidad and Tobago. (Treaty Doc. 104–14) (Exec. Rept. No. 104–18) **Pages S6611–12**

Bilateral Investment Treaty between the United States and Albania. (Treaty Doc. 104–19) (Exec. Rept. No. 104–19) **Page S6612**

Appointments:

Select Committee on Intelligence: The Chair, on behalf of the President pro tempore, pursuant to S. Res. 400, 94th Congress, and S. Res. 4, 95th Congress, appointed the following Senators to the Select Committee on Intelligence: Senators Specter, Lugar, Shelby, DeWine, Kyl, Inhofe, Hutchison, Cohen, and Brown. **Page S6628**

Nominations Confirmed: Senate confirmed the following nominations:

By 91 yeas to 7 nays (Vote No. 165 EX), Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System for a term of four years.

Pages S6549–82, S6584–85, S6630–31

By unanimous vote of 98 yeas (Vote No. 166 EX), Laurence H. Meyer, of Missouri, to be a Member of the Board of Governors of the Federal Reserve System for the unexpired term of fourteen years from 2/1/88. **Pages S6585, S6630–31**

By 57 yeas to 41 nays (Vote No. 167 EX), Alice M. Rivlin, of Pennsylvania, to be a Member of the Board of Governors of the Federal Reserve System for a term of fourteen years from February 1, 1996, and Vice Chairman of the Board of Governors of the Federal Reserve System for a term of four years.

Pages S6585–86, S6630–31

2 Air Force nominations in the rank of general.

14 Army nominations in the rank of general.

1 Marine Corps nomination in the rank of Assistant Commandant of the Marine Corps.

10 Marine Corps nominations in the rank of general.

25 Navy nominations in the rank of admiral.

Routine lists in the Air Force, Army, Marine Corps, Navy. **Pages S6628–32**

Messages From the House: **Page S6610**

Measures Referred: **Page S6610**

Measures Placed on Calendar: **Page S6610**

Communications: **Pages S6610–11**

Executive Reports of Committees: **Pages S6611–12**

Statements on Introduced Bills: **Page S6612**

Additional Cosponsors: **Pages S6612–13**

Amendments Submitted: **Pages S6613–23**

Notices of Hearings: **Page S6623**

Authority for Committees: **Pages S6623–24**

Additional Statements: **Pages S6624–27**

Record Votes: Three record votes were taken today. (Total—167) **Page S6585**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 6:41 p.m., until 9:30 a.m., on Friday, June 21, 1996. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S6630.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—DEFENSE/MILITARY CONSTRUCTION/FOREIGN ASSISTANCE

Committee on Appropriations: Committee ordered favorably reported the following bills:

An original bill (S. 1894) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997; and

H.R. 3517, making appropriations for military construction for the fiscal year ending September 30, 1997, with amendments; and

Also, committee completed its review of subcommittee allocations of budget outlays and new budget authority allocated to the committee in H. Con. Res. 178, establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002.

APPROPRIATIONS—TREASURY

Committee on Appropriations: Subcommittee on Treasury, Postal Service and General Government held hearings on proposed budget estimates for fiscal year 1997 for the Department of the Treasury, receiving testimony from Robert E. Rubin, Secretary of the Treasury.

Subcommittee will meet again on Thursday, June 27.

NATIVE AMERICAN HOUSING ASSISTANCE

Committee on Banking, Housing, and Urban Affairs/ Committee on Indian Affairs: Committees concluded joint hearings on Title VII, Native American Housing Assistance and Self-Determination Act provisions of H.R. 2406, proposed United States Housing Act, after receiving testimony from Henry G. Cisneros, Secretary of Housing and Urban Development; A. Brian Wallace, Washoe Tribe of Nevada and California, Gardnerville, Nevada; Joyce C. Dugan, Eastern Band of Cherokee Indians, Cherokee, North Carolina; Roland E. Johnson, All Indian Pueblo Council, Inc., Albuquerque, New Mexico; and W. Ron Allen, Jamestown S'Klallam Tribe of Washington State, Sequim, on behalf of the National Congress of American Indians; and Jacqueline L. Johnson, Juneau, Alaska, on behalf of the National American Indian Housing Council.

SPECTRUM MANAGEMENT

Committee on Commerce, Science, and Transportation: Committee resumed hearings to examine the use and management of the electromagnetic radio frequency spectrum, focusing on certain issues regarding the assignment of spectrum for digital or high definition television, receiving testimony from Senator Coats; Representatives Ehlers; Robert C. Wright, National Broadcasting Company, Inc., New York, New York; Ray Rodriguez, Univision Television Network, Miami, Florida; William Sullivan, KPAX–TV/Cordillera Communications, Missoula, Montana; James M. Keelor, Cosmos Broadcasting Corporation, Greenville, South Carolina; Craig Mundie, Microsoft Corporation, Redmond, Washington; J. Peter Bingham, Philips Electronics Corporation, Briarcliff Manor, New York; Robert Stearns, Compaq Computer Corporation, Houston, Texas; and Rob Hummell, Dreamworks, Universal City, California, on behalf of the American Society of Cinematographers.

Hearings continue in closed session on Tuesday, June 25.

BUSINESS MEETING

Committee on Environment and Public Works: Committee ordered favorably reported the following business items:

S. 1730, to strengthen and improve provisions of the Oil Pollution Act of 1990, and to ensure that citizens and communities injured by oil spills are promptly and fully compensated, with an amendment in the nature of a substitute;

S. 1636, to designate the United States courthouse under construction at 1030 Southwest 3rd Avenue, Portland, Oregon, as the "Mark O. Hatfield United States Courthouse";

H.R. 3364, to designate the Federal building and United States courthouse located at 235 North Washington Avenue in Scranton, Pennsylvania, as the "William J. Nealon Federal Building and United States Courthouse";

H.R. 1772, to authorize the Secretary of the Interior to acquire certain interests in the Waihee Marsh for inclusion in the Oahu National Wildlife Refuge Complex;

H.R. 2660, to increase the amount authorized to be appropriated to the Department of the Interior for the Tensas River National Wildlife Refuge in Louisiana;

H.R. 2679, to revise the boundary of the North Platte National Wildlife Refuge in Nebraska;

H.R. 2982, to direct the Secretary of the Interior to convey the Carbon Hill National Fish Hatchery to the State of Alabama;

S. 1802, to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming; and

S. 1871, to expand the Pettaquamscutt Cove National Wildlife Refuge in Rhode Island, with an amendment in the nature of a substitute.

INTERNATIONAL NATURAL RUBBER AGREEMENT/LAW OF THE SEA CONVENTION

Committee on Foreign Relations: Committee concluded hearings on the following treaties:

The International Natural Rubber Agreement (Treaty Doc. 104–27), after receiving testimony from Senator Glenn; Jeffrey M. Lang, Deputy United States Trade Representative; and Thomas E. Cole, Rubber Manufacturers Association, Washington, D.C.; and

The Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 Relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, with annexes (Treaty Doc. 104–24), after receiving testimony from David A. Colson, Acting Assistant Secretary of State for Oceans, Bureau of Oceans and International Environmental and Scientific Affairs.

NOMINATIONS

Committee on Foreign Relations: Committee concluded hearings on the nominations of John F. Hicks, Sr., of North Carolina, to be Ambassador to the State of Eritrea, Alan R. McKee, of Maryland, to be Ambassador to the Kingdom of Swaziland, Tibor P. Nagy, Jr., of Texas, to be Ambassador to the Republic of Guinea, and Arlene Render, of Virginia, to be Ambassador to the Republic of Zambia, after the nominees testified and answered questions in their own behalf.

WHITE HOUSE INFORMATION ACCESS

Committee on the Judiciary: Committee held hearings to examine the dissemination of Federal Bureau of Investigation background investigation reports and other information to the White House, receiving testimony from Richard S. Miller, Assistant Director for Protective Operations, United States Secret Service, Department of the Treasury; Howard M. Shapiro, General Counsel, Federal Bureau of Investigation, Department of Justice; Billy Ray Dale, former Director of the White House Travel Office; Anita McBride, former Director, and Mary Kate Downham Carroll, former Personnel Assistant, both of the White House Personnel Office; Graven W. Craig, former Intern, White House Office of Public Liaison; and Ellen J. Gober, former Staff Assistant, White House Office of Legislative Affairs.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 17 public bills, H.R. 3684–3700; 1 private bill, H.R. 3701; and 3 resolutions, H. Con. Res. 191, and H. Res. 457–458 were introduced. **Pages H6690–91**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Chambliss to act as Speaker pro tempore for today. **Page H6631**

Committees to Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Committees on Economic and Educational Opportunities, Government Reform and Oversight, International Relations, Judiciary, National Security, Resources, Science, Transportation and Infrastructure, and Veterans' Affairs. **Page H6635**

Order of Business: It was made in order that during further consideration of H.R. 3662, notwithstanding the order of the House of Wednesday, June 19 that Representative Stupak be allowed to offer an amendment regarding the Pictured Rocks National Park to be debatable for 10 minutes, equally divided. **Page H6635**

Interior Appropriations: By a yea-and-nay vote of 242 yeas to 174 nays, Roll No. 268, the House passed H.R. 3662, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997. **Pages H6635–81**

By a yea-and-nay vote of 176 yeas to 241 nays, Roll No. 267, rejected the Yates motion to recommit the bill to the Committee on Appropriations. **Page H6680**

On demand for a separate vote, rejected the Kennedy of Massachusetts amendment that sought to reduce Forest Service reconstruction and construction funding by $42 million (rejected by a recorded vote of 211 ayes to 211 noes, Roll No. 266). This amendment was agreed to in the Committee of the Whole by a recorded vote of 211 ayes to 210 noes, Roll No. 258 on June 19. **Page H6679**

Agreed To:

The Sanders amendment that increases funding for weatherization assistance grants by $11.6 million

and decreases Naval Petroleum and Oil Shale Reserves funding accordingly (agreed to by a recorded vote of 215 ayes to 206 noes, Roll No. 260).

Pages H6637–41, H6650–53

The Stupak amendment that prohibits any funding in connection with a scenic shoreline drive in Pictured Rocks National Lakeshore; **Page H6674**

The Olver amendment that increase funding for energy conservation by $4 million for codes and standards programs. **Page H6674**

The Istook amendment that requires binding agreements between Indian tribes, States, and local governments regarding taxes before any new Federal lands are transferred into tribal trust (agreed to by a recorded vote of 212 ayes to 206 noes, Roll No. 263); **Pages H6664–67, H6676**

Rejected:

The Parker amendment that sought to increase funding for weatherization assistance grants and State energy conservation grants by $18.4 million and reduces energy conservation programs accordingly (rejected by a recorded vote of 204 ayes to 218 noes, Roll No. 259); **Pages H6649–50, H6652–53**

The Shadegg amendment that sought to reduce the National Endowment for the Humanities funding by $12 million (rejected by a recorded vote of 168 ayes to 254 noes, Roll No. 261);

Pages H6641–47, H6654

The Furse amendment that sought to prohibit funding to prepare, advertise, offer, or award any contract under any provision of the emergency salvage timber sale program (rejected by a recorded vote of 209 ayes to 211 noes, Roll No. 262);

Pages H6654–64, H6675–76

The Gutknecht amendment that sought to reduce overall funding by 1.9 percent (rejected by a recorded vote of 128 ayes to 291 noes, Roll No. 264);

Pages H6668–71, H6676–77

The Sanders amendment that sought to increase Payments in Lieu of Taxes (PILT) funding by $10 million, reduce fossil energy research and development funding by $25 million, and apply $15 million to deficit reduction (rejected by a recorded vote of 186 ayes to 237 noes, Roll No. 265);

Pages H6671–74, H6677–78

Withdrawn:

The Hoekstra amendment was offered, but subsequently withdrawn that sought to decrease National Endowment for the Arts Grants and Administration funding by $31,500. **Page H6637**

The DeFazio amendment was offered, but subsequently withdrawn that sought to strike provisions that prevent the Forest Service from implementing final regulations banning the export of all State and Federal timber in the western United States.

Pages H6667–68

Point of order was sustained against the Faleomavaega amendment that sought to restrict funding for the telescope on Mt. Graham in the Coronado National Forest. **Page H6649**

Legislative Program: The Majority Whip announced the legislative program for the week of June 24. Agreed to adjourn from Thursday to Monday.

Pages H6681–82

Meeting Hour: Agreed that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday, June 24; and agreed that when the House adjourns on Monday, it adjourn to meet at 10:30 a.m. on Tuesday, June 25 for morning hour debates.

Page H6682

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of June 26. **Page H6682**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H6691–92.

Quorum Calls—Votes: Two yea-and-nay votes and eight recorded votes developed during the proceedings of the House today. There were no quorum calls. **Pages H6652–53, H6653, H6654, H6675–76, H6676, H6676–77, H6677–78, H6679, H6680, H6680–81**

Adjournment: Met at 10 a.m. and adjourned at 7:10 p.m.

Committee Meetings

LABOR-HHS-EDUCATION APPROPRIATIONS

Committee on Appropriations: Began markup of the Labor, Health and Human Services, and Education appropriations for fiscal year 1997.

Will continue June 25.

DAVIS-BACON/GAO REPORT

Committee on Economic and Educational Opportunities: Subcommittee on Workforce Protections and the Subcommittee on Oversight and Investigations held a joint hearing on the Davis-Bacon/GAO Report, focusing on Allegations of Fraud and Barriers to Employment. Testimony was heard from Carlotta C. Joyner, Director, Education and Employment Issues, Health, Education and Human Services Division, GAO; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Government Reform and Oversight: Ordered reported the following bills: H.R. 3586, amended, Veterans Employment Opportunities Act of 1996; H.R. 885, to designate the United States Post Office building located at 153 East 110th Street, New York, NY, as the ''Oscar Garcia Rivera Post Office Building''; H.R. 3139, to redesignate the United States Post Office building located at 245

Centereach Mall in Middle Country Road in Centereach, NY, as the ''Rose Y. Caracappa United States Post Office Building''; H.R. 3663, District of Columbia Water and Sewer Authority Revenue Bond Act of 1996; and H.R. 3664, District of Columbia Government Improvement and Efficiency Act of 1996.

The Committee also approved the following draft reports: ''Laws Related to Federal Financial Management''; and ''Fraud and Abuse in Medicare and Medicaid: Stronger Enforcement and Better Management Could Save Billions.''

U.S. POLICY TOWARD NATO ENLARGEMENT

Committee on International Relations: Held a hearing on U.S. Policy Toward NATO Enlargement. Testimony was heard from Rudolf Perina, Senior Deputy Assistant Secretary, Bureau of European and Canadian Affairs, Department of State; and public witnesses.

EXPORTS, JOBS, AND GROWTH ACT

Committee on International Relations: Subcommittee on International Economic Policy and Trade approved for full Committee action the Exports, Jobs, and Growth Act of 1996.

HAITI

Committee on International Relations: Subcommittee on Western Hemisphere held a hearing on Haiti: Where Has All the Money Gone? Testimony was heard from Representative Goss; Jack E. Leonard, Director, Office of Caribbean Affairs, Department of State; and Mark Schneider, Assistant Administrator, Bureau for Latin America and the Caribbean, AID, U.S. International Development Cooperative Agency.

REGULATORY FAIR WARNING ACT

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law approved for full Committee action amended H.R. 3307, Regulatory Fair Warning Act.

POW/MIA ISSUES

Committee on National Security: Subcommittee on Military Personnel continued hearing on POW/MIA issues. Testimony was heard from the following officials of the Department of Defense: Malcolm Toon, Co-Chairman, U.S./Russia Joint Commission on POW/MIAs; and Alan Liotta, Deputy Director, POW/MIA Office; David G. Brown, Director, Korean Affairs, Department of State; and public witnesses.

BALLISTIC MISSILE DEFENSE

Committee on National Security: Subcommittee on Military Procurement and the Subcommittee on Military Research and Development met in executive session to hold a classified briefing on Ballistic Missile Defense. The Subcommittee was briefed by Gordon Oehler, Director, Nonproliferation Center, CIA.

BALLISTIC MISSILE DEFENSE

Committee on National Security: Subcommittee on Military Procurement and the Subcommittee on Military Research and Development continued joint hearings on Ballistic Missile Defense. Testimony was heard from Robert Einhorn, Deputy Assistant Secretary for Nonproliferation, Bureau of Political-Military Affairs, Department of State; and Mitchell Wallerstein, Deputy Assistant Secretary, Counter Proliferation Policy, Department of Defense.

OVERSIGHT

Committee on Resources: Subcommittee on Energy and Mineral Resources held an oversight hearing on Bureau of Land Management's oil and gas inspection, enforcement responsibilities, and regulatory burdens on small operations. Testimony was heard from the following officials of the Department of the Interior: W. Hord Tipton, Assistant Director, Resource Use and Protection, Bureau of Land Management; and Bob Brown, Acting Associate Director, Royalty Management Program, Minerals Management Service; Janice McDougle, Associate Deputy Chief, National Forest Systems, Forest Service, USDA; Elin D. Miller, Director, Department of Conservation, State of California; Donald L. Mason, Chief, Department of Natural Resources, State of Ohio; James W. Carter, Director, Division of Oil, Gas and Mining, State of Utah; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Fisheries, Wildlife and Oceans held an oversight hearing on African Elephant Conservation Act of 1988 and Rhinoceros and Tiger Conservation Act of 1994. Testimony was heard from Representative Beilenson; Marshall Jones, Assistant Director, International Affairs, U.S. Fish and Wildlife Service, Department of the Interior; Matthew Matemba, Director, SADC Wildlife Sector Coordinator, Department of Parks and Wildlife, Malawi; Tony Fitzjohn, Field Director, Mkomazi Game Reserve, Tanzania; and public witnesses.

OVERSIGHT—FOREST SERVICE APPEAL PROCESS

Committee on Resources: Subcommittee on National Parks, Forests and Lands held an oversight hearing on Forest Service Appeals Process. Testimony was heard from Representatives Herger and Taylor of North Carolina; David G. Unger, Associate Chief, Forest Service, USDA; and public witnesses.

ENVIRONMENTAL REGULATIONS

Committee on Science: Subcommittee on Technology and the Subcommittee on Energy and Environment held a joint hearing on Environmental Regulation: A Barrier to the Use of Environmental Technology? Testimony was heard from David M. Gardiner, Assistant Administrator, Policy, Planning and Evaluation, EPA; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Veterans' Affairs: Ordered reported the following bills: H.R. 3458, Veterans' Compensation Cost-of-Living Adjustment Act of 1996; H.R. 3643, to amend title 38, United States Code, to extend through December 31, 1998, the period during which the Secretary of Veterans Affairs is authorized to provide priority health care to certain veterans who were exposed to Agent Orange or who served in the Persian Gulf War and to make such authority permanent in the case of certain veterans exposed to ionizing radiation; H.R. 3673, amended, Veterans' Compensation and Readjustment Benefits Amendments of 1996; and H.R. 3674, Veterans' Education and Compensation Benefits Amendments of 1996.

EMPLOYMENT CLASSIFICATION ISSUES

Committee on Ways and Means: Subcommittee on Oversight continued hearings on Employment Classification Issues. Testimony was heard from Representative Gilchrest; the following officials of the Department of the Treasury: Donald C. Lubick, Acting Assistant Secretary, Tax Policy; and Margaret Milner Richardson, Commissioner, IRS; Natwar M. Gandhi, Assistant Director, Tax Policy and Administration Issues, GAO; and public witnesses.

BOSNIA/IRAN

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Bosnia/Iran. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 21, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Foreign Relations, to hold hearings on the nominations of John Christian Kornblum, of Michigan, to be Assistant Secretary of State for European and Canadian Affairs, Madeleine May Kunin, of Vermont, to be Ambassador to Switzerland, and A. Vernon Weaver, of Arkansas, to be the Representative of the United States of America to the European Union, with the rank and status of Ambassador, 10 a.m., SD–419.

Full Committee, to hold hearings on the nomination of Barbara Mills Larkin, of North Carolina, to be an Assistant Secretary of State, 10:30 a.m., S–116, Capitol.

House

No committee meetings are scheduled.

CONGRESSIONAL PROGRAM AHEAD

Week of June 24 through 29, 1996

House Chamber

Monday, No legislative business is scheduled.

Tuesday, Consideration of H.R. 2531, House Parent Exemption Act (Corrections Day);

Consideration of H.R. 3604, Safe Drinking Water Act (Suspension); and

Consideration of H.R. 3666, VA, HUD, and Independent Agencies Appropriations Act for FY 1997 (open rule, 1 hour of general debate).

Wednesday and the Balance of the Week, Consideration of H.R. 3675, Department of Transportation and Related Agencies Appropriations Act for FY 1997 (subject to a rule being granted); and

Consideration of H.R. , Departments of Labor, Health and Human Services, Education and Related Agencies Appropriations Act for FY 1997 (subject to a rule being granted).

Next Meeting of the SENATE

9:30 a.m., Friday, June 21

Senate Chamber

Program for Friday: Senate will conduct routine morning business.

Next Meeting of the HOUSE OF REPRESENTATIVES

2 p.m., Monday, June 24

House Chamber

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