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House of Representatives

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. WHITE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 27, 1996.

I hereby designate the Honorable RICK WHITE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Ronald F. Christian, Evangelical Lutheran Church in America, Washington, DC., offered the following prayer:

Almighty God, we acknowledge this day our dependence upon Your gracious care and mercy. Faced with great personal loss and national pain, our thoughts always turn to You seeking Your solace and comfort. We do so again today, O Lord.

In the comings and goings of our lives, it is appropriate that we pause, remember, and give thanks for families and friends of those in our national family who are brought home on their last journey this day. Oh God, grant Your mercy to those who now rest from their labors and to all who mourn. And, for the life and work of Bill Emerson, we give You thanks and seek that same mercy.

May all of our days for all of us be so numbered before You that our efforts for good will be untiring, that our concern for justice will never waver, and that our work for peace be forever urgent and steadfastly determined. Amen.

THE JOURNAL

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

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

Mr. WYNN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

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

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, further proceedings on this matter will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

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

Mr. BARR of Georgia led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 2437. An act to provide for the exchange of certain lands in Gilpin County, Colorado.

H. Con. Res. 102. Concurrent resolution concerning the emancipation of the Iranian Baha'i community.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3517. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

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.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3517) ''An Act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. BURNS, Mr. STEVENS, Mr. GREGG, Mr. CAMPBELL, Mr. HATFIELD, Mr. REID, Mr. INOUYE, Mr. KOHL, and Mr. BYRD, to be the conferees on the part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

COST OF GOVERNMENT DAY

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

Mr. DELAY. Mr. Speaker, as we approach the celebration of our Nation's independence, let us reflect on one of the lines in the Declaration of Independence.

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Referring to the repeated injuries and usurpations inflicted upon them by the King of England, Jefferson wrote:

He has erected a multitude of new offices, and sent hither swarms of officers to harass our people and eat out their substance.

Sadly and outrageously, Mr. Speaker, this describes the way many Americans feel about the enormous size, intrusiveness and cost of Government today.

That is why I am introducing a sense-of-the-Congress resolution today to highlight cost of Government day, which this year is coincidentally 1 day before Independence Day. That is right, Mr. Speaker, according to Americans for Tax Reform, from January 1 through July 3 this year, Americans are working to pay for Government spending at all levels plus the cost of regulations.

One hundred eighty-four days to pay for Government and regulations and 181 days to pay for the things they and their families really need. This situation, my colleagues, has gotten ridiculous. Maybe it is time for a new Declaration of Independence, Mr. Speaker.

GENERAL MOTORS CLOSING MORE U.S. AUTO PLANTS AND MOVING JOBS OVERSEAS

(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, General Motors has closed another auto plant in America, this time Tarrytown, NY. 2,100 American workers, gonesville.

In addition, General Motors announced it will close another seven factories in America in the next several years.

Now, if that is not enough to grease your slip clutch, General Motors announced it is building a billion-dollar factory in Thailand and a massive new plant in Mexico, and because the Mexican workers are so poor, they will help build the Mexican workers new homes. Unbelievable. Think about it. American workers losing their homes, General Motors building homes for Mexican workers, averaging 70 cents an hour.

Beam me up, Mr. Speaker. For years I thought the Three Stooges ran our economic policy. Today I suspect Dr. Jack Kevorkian. This is no program.

Before the day is over, we will approve most-favored-nation trade status for a country that pays 17 cents an hour wages.

I yield back any jobs left.

TRIBUTE TO HON. BILL EMERSON OF MISSOURI

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

Mr. LAHOOD. Mr. Speaker, I rise today to say that I regret very much that I was not able to be on the floor when a number of Members rose to pay tribute to Bill Emerson, and I urge all Members today, as we have a very spirited debate, to keep in our thoughts and prayers Bill Emerson and the work that he did on behalf of his constituents. As we meet here at this hour, there is a service being conducted for him in Cape Girardeau, MO, and I urge all Members to remember Bill and in the days and months ahead to remember Jo Ann Emerson and Bill Emerson's family.

MUZZLING DEBATE ON UNITED STATES-CHINA TRADE RELATIONS

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

Ms. KAPTUR. Mr. Speaker, what a travesty. Last Tuesday in the dead of night, with Members of this House given no voice and no notice, the House Rules Committee, at the behest of Speaker GINGRICH, ramrodded a rule to restrict debate on the critical issue of United States-China trade relations. Then last night, after 1 a.m., the restrictive rule was voice-voted by a deal struck by the proponents to muzzle debate today. Members were not recorded on that key rule vote. Now today the brief debate on whether Congress will actually grant Most Favored Nation trade status to China for the first time in a straight up or down vote in this Chamber will occur and the debate itself while most Members are at Bill Emerson's funeral today. What an outrage.

Commerce with a fascist state will not yield liberty. Our 250-million-person market cannot sustain these gaping trade deficits growing every year with a nation of 1 billion 250 million people. Just the $40 billion trade deficit this year means another 800,000 lost jobs in America.

EXHIBIT HONORING MARK TWAIN

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

Mr. BARR of Georgia. Mr. Speaker, for 75 days this summer the people of Cobb County, GA, and neighboring communities will have a unique opportunity to view an exhibit featuring original materials from America's great writer and humorist: Mark Twain.

The exhibit, known as, ''Mark Twain: An American Voice to the World,'' will be on display in Kennesaw State University's Horace Sturgis Library, and will feature original manuscripts, artifacts, first editions, and other items from this great American author.

The exhibition has been praised as ''The most richly varied and representative display of original materials relating to the life and works of Mark Twain ever assembled for public exhibition,'' by Robert Pack Browning, director of the Mark Twain papers at the University of California, Berkeley.

I would like to congratulate Kennesaw State University president Betty L. Siegel, library director Robert B. Williams, and his staff. I would also like to thank the numerous institutions and collectors who participated in the exhibition. My thanks goes also to my colleagues, Speaker GINGRICH, and Fifth District Congressman JOHN LEWIS, and to Fred Bentley, Sr., for making this project a reality for the people of Georgia.

THE MANAGED CARE BILL OF RIGHTS OF 1996

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

Ms. VELÁZQUEZ. Mr. Speaker, I rise before the Members to introduce a crucial piece of legislation that is long overdue, the managed care bill of rights of 1996.

Today I introduce this legislation in response to a repulsive and dangerous trend that is taking place. Across this country, Americans are joining managed care plans in order to cut costs. However, while ultra-wealthy HMO's are making multibillion-dollar profits, working-class families are paying for these profits with their health and, in some cases, their lives.

Health care companies should make people healthier, not sicker, yet HMO patients are routinely denied access to specialists and refused compensation for emergency room visits. My legislation will put an end to these cruel policies. I urge my colleagues to cosponsor this legislation and work toward safeguarding every American's access to quality health care.

SUPPORT THE WORKING FAMILIES FLEXIBILITY ACT

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

Mr. BALLENGER. Mr. Speaker, once again, the Clinton administration has stolen yet another Republican idea and called it their own. After originally opposing legislation that would let hard-working Americans spend more time with their families, the President has chosen to co-opt this popular idea. This is a desperate action by a desperate man in a political year.

When a Republican bill containing comp time, the Working Families Flexibility Act, was first mentioned as the minimum-wage legislative vehicle, the President's Chief of Staff, Leon Panetta, called it a poison pill and President Clinton waved his veto pen at it. But now after the Republicans have built support for this legislation, the President ran down to Nashville this past weekend to announce his own version of a comp time bill.

The President does not show leadership by showboating, or stealing ideas from Republicans. If the President were truly committed to this issue, he would have pledged his support for the Working Families Flexibility Act, and he would work with Congress, instead of trying to upstage it.

I ask the President to stop playing election-year politics and support H.R. 2391, the Working Families Flexibility Act, and I ask my colleagues to do the same.

HOW MUCH MORE WILL CHINA DO TO ITS PEOPLE AND THE WORLD?

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

Mr. BROWN of Ohio. Mr. Speaker, most-favored-nation status for China giving trade advantages to that Communist dictatorship will cost millions of American jobs. Our trade deficit with China, almost nonexistent only a few years ago, has climbed to $32 billion and is rising, and within a couple of years, it will surpass that of Japan. How much more can China do to its people and how much more can China do to the rest of the world before we finally say ''no'' to MFN? Massacring students in Beijing, selling nuclear technology to rogue nations, slave labor camps, illegally smuggling 2,000 AK–47's into the United States, forcible seizure of Tibetan children from their homes, 12-year-old children in China making toys for 12-year-old children in America and 12-year-old children in China in labor camps making toys for 12-year-old children in America. Mr. Speaker, when will it stop? When will we in this body stop it? Defeat MFN.

RIGHT CONGRESS ACT: TO RESTORE INTEGRITY, GOODWILL, HONESTY, AND TRUST IN CONGRESS

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

Mr. BASS. Mr. Speaker, I rise today to announce the introduction of the RIGHT Congress Act. RIGHT stands for ''Restore Integrity, Goodwill, Honesty and Trust in Congress.'' The bill is a modest, commonsense reform that will help bring back some accountability and responsibility to the Halls of Congress and it follows on the action that we took beginning with the first day of the 104th Congress.

What will this bill do? It will reduce congressional pensions to put them in line with all other Federal employees. It repeals automatic pay raises for Members of Congress and eliminates COLA's on Members' pensions. It will require recorded votes on all bills or amendments increasing Members' pay; prohibit former Members and senior staffs from lobbying for 28 years after leaving Congress or one full term; deny House floor access for Members of Congress who are registered lobbyists; require lobbyists to wear ID's when they are working in the Capitol; limit the use of expensive military flights for congressional travel; ban overseas taxpayer funded travel for retiring Members of Congress.

This bill has received support from across the board, and I urge my colleagues' support for this piece of legislation.

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THE RIGHT OF FREE SPEECH

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

Mr. FRANK of Massachusetts. Mr. Speaker, I voted against the Communications Decency Act, which was included in the telecommunications bill, because it was an outrageous disregard by this body of our duty to protect constitutional rights, specifically the first amendment.

Now we have had a ringing thoughtful denunciation of that unconstitutional act by a 3-judge court in Pennsylvania. I commend particularly to Members the opinion by Judge Dalzell, where he points out how unwise it is to try to sensor the Internet.

We have a problem. We began years ago, with regard to broadcasting, the notion that if speech was electronically communicated it got less first amendment protection than other speech. That was based on some technological factors involving the limitations of the spectrum.

Today, as increasingly people communicate with each other through electronic means, we have carried over this notion that electronically communicated speech gets less first amendment protection than other speech.

If we do not reverse that trend, if we do not recognize the wisdom of that 3-judge court, we will find ourselves in future years less protected by that precious right of free speech.

THE GROUNDBREAKING OF THE BRASS MILL CENTER MALL

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

Mr. FRANKS of Connecticut. Mr. Speaker, yesterday was a historic day for my hometown of Waterbury, CT. It marked the groundbreaking of the Brass Mill Center Mall, the soon to be home of the second largest mall in New England.

Having worked at this location along with my father and other relatives when it was the Scovill Manufacturing Co. more than 20 years ago, I have a sentimental attachment to the site. But more important, thanks to the millions of dollars from the Federal Government, approved in the 103d Congress for the environmental cleanup of the site, it is now becoming a reality.

The mall will have a significant impact on revitalizing the downtown area, while producing more than a thousand new much needed jobs. This has been a classic example, Mr. Speaker, of how the local, State and Federal governments can work hand-in-hand with private industry.

I look forward to the fall 1997 grand opening.

AMERICA'S CHOICE: GOP EDUCATION CUTS OR FAMILIES FIRST AGENDA

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

Mr. WYNN. Mr. Speaker, I am often amused as I listen to my Republican colleagues talk about their budget. They come down and wave their arms and talk about their children's future and their children's children's future with great passion. Let us face it. What is important about our children's future is education.

And let us talk about the education record. The fact is, Mr. Speaker, that under the Republican proposals they actually cut student aid. They eliminate the direct student loan program, which means students are going to pay higher fees and higher costs for student loans. That is not helping their future. They cut money for safe and drug-free schools so that children can have a safe education. That is not helping their education or their futures.

On the other hand, the Democrats' Families First agenda addresses education in significant ways: First, 2 years of community college free in the form of a $1,500 tax credit for community college education if the student maintains a B average. I think that is a fair deal for our children's future.

We also provide a $10,000 deduction for college education; $10,000 deduction for college expenses. That is protecting our children's future.

SAUDI ARABIA TERRORISM

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

Mr. GILMAN. Mr. Speaker, America has once again felt the sting of a deadly cowardly terrorist attack directed at our troops who have been preserving and protecting America's interest in the Persian Gulf. A similar attack on Americans in Saudi Arabia last November for the first time signaled that radical Islamic elements in Saudi Arabia would use Americans as targets in their war against the ruling regime.

As we seek to determine just who is responsible, there is one thing that is clear from this deadly and senseless attack, and that is that the United States' vital national interests in the gulf remains constant and the threat from the two main rogue regimes in the region, Iran and Iraq, must not be allowed to destabilize our gulf allies.

I join in the President's strong condemnation of this latest terrorist attack and welcome our Nation's determination to help bring to justice those responsible for this cowardly act. I also join in extending our Nation's deepest sympathy and concern for the families of all those killed or injured in the service of their country.

FAMILIES FIRST

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

Ms. WOOLSEY. Mr. Speaker, last weekend I met with parents, children, and community leaders from my district, those who attended the Stand for Children march in Washington this month. Their overwhelming message was that it is time to reorder our Nation's priorities and it is time to put our children and families first.

That is the same message, Mr. Speaker, that Americans across the country are sending, and I am proud that the Democrats have responded with a realistic and commonsense agenda that puts families first, ahead of special interests.

That is right, our agenda is not about crown jewels, tax giveaways, or corporate and military pork. Rather, it is about practical changes we can make to improve the lives of families, changes like fully implementing the safe and drug-free schools program, providing $10,000 tax deductions for education and job training, and making college a reality for more Americans.

Mr. Speaker, we blocked the Gingrich-Dole cuts to education, Medicare, and the environment. It became clear what Democrats are against.

COST OF GOVERNMENT DAY

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

Mr. BARTON of Texas. Mr. Speaker, next week, on July 3, Americans will be preparing to celebrate our independence from the British empire over 200 years ago. They will have another reason to celebrate next week; July 3 is the day in which we become independent from having to work for the Government.

It is a sad fact, but a true fact that July 3 is the day in which the cost of all levels of government will finally be paid for. An even more amazing fact, it is not only taxes but also government regulations that we must pay for. In fact, regulations cost more to the average American citizen than the taxes that we pay.

I am happy to join with Senator COVERDELL in the other body and the gentleman from Texas, Majority Whip DELAY, in this body to be an original cosponsor of Cost of Government Day. I would urge all of my colleagues to join us in this resolution.

Let us tell the truth to the American people: Government costs too much, it spends too much money and it wastes a lot of the money that it spends. Let us begin to cut back on taxes, cut back on regulations, and have Independence Day from Government not on July 3 but sometime much earlier in the year.

MOST-FAVORED-NATION STATUS

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

Mr. DICKS. Mr. Speaker, the decision that Congress will make today with regard to most-favored-nation status represents an important step in defining our future trading relationship with China.

We are deciding today whether or not the United States will continue what I believe has been a constructive policy that encourages change with China while firmly expressing United States concern about human rights, protection of our intellectual property, and our desire to curb nuclear proliferation.

For the largest private employer in my State, the Boeing Co., renewing MFN with China is absolutely critical. In the period between 1992 and 1994, Boeing recorded $5.3 billion in sales to China, representing one of the largest single positive influences in improving our balance of trade. In fact, one in every ten commercial jetliners made by the Boeing Co. during this period was sold to a customer in China. These jet sales supported 48,500 jobs in the United States for each of these years.

The jobs I am speaking of are not just at Boeing facilities, but at 4,500 commercial suppliers. That is why we should continue to support MFN.

U.S. MILITARY MUST EXPLAIN ITSELF

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

Mr. DIAZ-BALART. Mr. Speaker, a video reached my office this week that shows scenes of meetings between senior U.S. military officers, including the head of the U.S. Atlantic Command, General Sheehan, and Cuban dictator Castro's senior general, Perez-Perez.

The video reflects a private coziness of the Clinton administration with the Castro regime, not-so-subtle reassurances by the administration that the United States would not stand on the Cuban people's side if the Cuban armed forces sought to liberate Cuba from Castro.

The tape also reflects, in all its sickening ignominy, the immorality of the Clinton administration's policy of forcefully repatriating Cuban refugees.

I believe that a number of things that the video shows merit serious congressional inquiry, and if the U.S. military officers involved do not voluntarily meet with Members of Congress to explain themselves, as we have requested, they should be compelled to do so.

REPUBLICAN MAJORITY STIFLES DEBATE ON GRANTING CHINA MFN STATUS

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

Ms. PELOSI. Mr. Speaker, today Congress will debate the issue of granting a special request to the President for a waiver to grant most-favored-nation status to China. This is an important issue to the American people. Nothing less is at stake than our economic future, our national security, and our democratic principles.

That is why it is so distressing to see the absurd rule that the Republican majority has put forth for this legislation. They want to railroad this legislation through the House in an untimely fashion. Our tradition has always been to have the Fourth of July week for our constituents to express their views to Members. Many constituents cannot afford the expensive trip to Washington, DC, that the business community has readily available to them.

What is the Republican majority afraid of? Are they afraid of the truth? Are they afraid of 100,000 young people gathered in Golden Gate Park to promote a free Tibet? Are they afraid that our colleagues will learn the facts about United States-China trade and that it is a job loser for the American worker?

It is absolutely a shame that on this most important issue the Republican majority is moving to stifle dabte.

EITHER FIDEL CASTRO IS OUR ENEMY OR HE IS NOT

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

Ms. ROS-LEHTINEN. Mr. Speaker, south Florida was shocked earlier this week when a video was released showing top United States military officials exchanging gifts and pleasantries at the Guantanamo Naval Base with Cuban general and known Cuban assassin, General Perez-Perez.

At one point the chief of the U.S. Atlantic Command refers to the Cuban thug as ''My General,'' while another tells Castro's communist partner that a plaque he received as a gift from him would be put in a place of honor.

I propose that if we must exchange gifts with Castro officials, let us give them an indictment for their criminal acts and a key to free jailed political dissidents. Let us give them a reproduction of the Statute of Liberty and a ballot, symbols of freedom and democracy.

This repugnant display of camaraderie of a top official of a totalitarian

military regime which recently murdered in cold blood American citizens and which continues to harm the United States at every opportunity, is not only a disgusting sight to behold, but an insult to the thousands of men and women of our military who risk their lives every day to defend the principles of freedom and democracy we proudly enjoy in this Nation.

Either Fidel Castro is our enemy or he is not. Let us have these officials explain these actions to us.

REPUBLICANS PLAN TO PREVENT VOTE ON PRIVILEGED RESOLUTION REGARDING GINGRICH COMPLAINTS

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

Mr. MILLER of California. Mr. Speaker, on August 5, 1987, the gentleman from Georgia, Representative NEWT GINGRICH, offered a privileged resolution on the House floor. The Gingrich resolution directed the Committee on Ethics to expand the investigation into another Member of the House, Representative Fernand St. Germain.

At that time no one moved to table the Gingrich resolution in 1987. The House was permitted to fully debate the resolution in 1987, and the House took an up or down rollcall vote on the resolution in 1987.

Times have apparently changed. When the gentleman from Florida, Representative JOHNSTON, offered a similar resolution to ask the Committee on Standards of Official Conduct to do the same thing with respect to the case of Mr. GINGRICH, the Republican leadership plans to table the resolution immediately, the Republican leadership plans to block all debate on the resolution, and the Republican leadership plans to prevent a vote on the resolution.

My, how things have changed and, my, how the people's House has changed.

NO GLASS CEILING FOR WOMEN REPRESENTATIVES

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

Mrs. CHENOWETH. Mr. Speaker, I am often asked by women in my district if there is a glass ceiling in this Congress for women who serve here, and I tell them no, there is not a glass ceiling as far as I am concerned.

I tell them that I am reminded of Fred Astaire and Ginger Rogers. Remember, Fred Astaire was a spectacular dancer, but some people forget that Ginger Rogers had to do everything he did, except she had to do it in a long dress, high heels, dancing backward, with a smile on her face.

The point of this friendly jibe is that we as women oftentimes have to work differently or harder, but we are working toward the same goal side-by-side with the gentlemen in this body.

Some Members would have us believe that women are some sort of a third political party, that there are a special set of issues that only women care about. One of my colleagues recently claimed that there was a war against women in this body. Such a charge is hollow rhetoric. The real issue is that the most important concerns women have are really no different than all Americans.

NEWTGATE

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

Mr. LEWIS of Georgia. Mr. Speaker, if a Member of this House was involved in a $6 million tax fraud scheme and the Ethics Committee knew and did nothing, what would that be?

If a Member of this House set up and used tax exempt organizations for partisan political purposes and the Ethics Committee knew and did nothing, what would that be?

Well, Mr. Speaker, these are exactly the charges hanging over Speaker NEWT GINGRICH. The Ethics Committee has been sitting on these charges for 6 months and doing nothing. They even refuse to send them to the outside counsel investigating the Speaker.

To answer the question, Mr. Speaker, What would it be? It would be, it is, a scandal. Newtgate is truly the biggest scandal and coverup in this town.

IN SUPPORT OF THE RESOLUTION OF DISAPPROVAL OF MFN STATUS FOR CHINA

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

Mr. STEARNS. Mr. Speaker, my colleagues, for 15 years now, we have given MFN status to the Chinese. And rather than getting better, the situation is worsening: we now have a $30 billion trade imbalance, human rights abuses are on the rise, Chinese companies continue to steal America's intellectual property, military spending is increasing, and anti-American sentiment is rising throughout China.

Not only do we tolerate such behavior from China, but by granting MFN status—by voting against this resolution—we actually condone the behavior of the Chinese. We tell them to continue the systematic killing of their children and the state-sponsored abortions; we tell them that America condones communism, hostility, and oppression; we support and fund their Army through our trade imbalance; and we ignore the theft of millions of American dollars in intellectual property. We standby and we do nothing, and our apathy is just as bad as our involvement; it is, in simple terms, the American seal of approval.

My colleagues, we have the opportunity today to send a message to the world that America will not support a rogue nation, that we will not condone terrorism, oppression, and intolerance. Today, we have the opportunity to affect a change in China's policies, and to tell the rest of the world: America allies itself with only those nations who advance and encourage fairness, the nations who foster democracy, and those nations who embrace freedom.

My colleagues, I urge you to do the right thing: Vote for the resolution of disapproval; vote against MFN for China.

THE COMMITTEE SHOULD GET ON WITH IT

(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, it is almost the Fourth of July, and today many of us will be leaving to go home. I know we are going to be giving wonderful speeches about this country, about this country and how we believe it is a government of laws and not of men, that no man is above the law.

Well, thank goodness for the gentleman from Florida [Mr. JOHNSTON], because he is going to give us a chance to prove we mean that before we leave here today because today he will be offering a resolution that says to a certain committee that has all sorts of charges piled up in front of it that they have been sitting on like nesting hens, very serious charges that go to the core of this democracy saying to that committee, get on with it. Even if this person against whom these charges are being leveled is the Speaker of this House, we must act.

So if we are going to give those speeches later on next week, we better be prepared to vote today to show we mean it.

THE AMERICAN WORKERS TAX BURDEN

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

Mr. ROYCE. Mr. Speaker, next week on July 4, the American people will celebrate 220 years of independence from Great Britain, but they will also celebrate the fact that their liberation from $3.3 trillion in total costs and regulations that it takes 6 months to pay. It was not always so.

If we went back to the 1960's, we would see that the Federal tax rate then was 12 to 13 percent. It has doubled since then to 25 percent. When we add the regulations cost, when we add the State cost, it brings it up to almost 50 percent.

Now that is the cost of increased Government spending. That is why some of us fight to reduce wasteful Government spending on this floor. Let us reduce the burdens which we have

placed upon the American worker. Let us reform the overgrown Government agencies and roll back senseless and burdensome regulations. Let us grant the American worker the independence that he or she deserves from the Federal Government.

GINGRICH ETHICS

(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, the House of Representatives is at one of its all-time-lowest approval ratings in history. The American people have lost confidence in this institution's ability to lead and to do what's right. We must do all we can to restore their confidence and prove beyond a shadow of a doubt that we can monitor our own House.

Stores like the series currently running in the LA Times do not help us in our quest for the public's confidence. The LA Times article and I quote ''cited public records showing that six nonprofit organizations linked to GOPAC has raised at least $6 million in tax-decuctible funds that tax experts said appeared to have been used for Republican political purposes.''

The American people demand—and deserve—a Congress that is above reproach ethically and morally. Questions have been raised and they need to be answered swiftly, and thoroughly.

No one is above the law in this Congress and no one has a right to be shielded and protected from legitimate questions regarding these very serious issues.

A SPECIAL COUNSEL FOR THE SPEAKER'S WRONGDOING

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

Mr. PALLONE. Mr. Speaker, I just wanted to follow up on this resolution that will be proposed later which basically asks that an outside counsel be appointed for certain purposes. I think the notion that we police ourselves in the House of Representatives to some extent makes sense but, when the time comes, when a certain committee is not doing its job and not basically taking on the responsibility to make sure that certain Members here are properly investigated for alleged wrongdoings, particularly when it comes to tax-exempt organizations, the political process needs to be kept in a proper fashion.

If tax-exempt organizations or other organizations are being used to promote a particular candidacy or a particular political party, the time comes when the particular committee here, in this case the ethics committee, must do its job. If it cannot do its job, then we need have to have an outside counsel appointed.

I think that the LA Times article has clearly pointed out that there have been a number of allegations here with regard to the Speaker, and the time has come for this House to move to appoint a special counsel to look into the Speaker's wrongdoing.

RESTORE AMERICANS' FAITH IN GOVERNMENT

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

Mr. EHLERS. Mr. Speaker, integrity is extremely important to me. I have always been a great believer in Government and believe integrity in Government is also important. There is a very sad period in my life in the early 1970's when it appeared that the Federal Government, or at least some individuals in the White House, had betrayed the trust of the American people and had displayed a notable lack of integrity. It is at that time I decided to become involved in politics. I never expected to be in the Congress, but I did run for local government.

I am sorry to say that once again sadness affects me. Once again, we have an incredible abuse of power in the White House. We have the greatest invasion of privacy that has occurred in the history of the FBI. I am very saddened that this has taken place.

Mr. Speaker, I believe it is extremely important for all of us in this Congress and throughout the Federal Government to take whatever steps are necessary to make sure that those responsible are punished, but above all to once again restore the American faith in our Government and in the integrity of Government both in this Chamber and in the White House. I urge that we take strong action to do so.

INTEGRITY BEGINS AT HOME

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

Mr. DOGGETT. Mr. Speaker, it seems to me that integrity begins at home. Or, more particularly, integrity begins in this House. Every Member of this House will have an opportunity to go on record concerning the integrity of the proceedings of this House and of its Members today.

When the privileged resolution is presented, if you believe in a fair and impartial investigation, you vote ''aye''. If you believe in a cover up, you vote ''no''.

If you believe that this House should be muzzled and that this issue should not get a full and fair airing, you vote for DICK ARMEY's motion to muzzle.

This resolution, in its enacting clause, is one sentence. It does not prejudge charges, as some have done in their remarks here today. It simply instructs the Ethics Committee to immediately transmit the remaining charges against Speaker GINGRICH to the outside counsel for his investigation and recommendations.

How could anyone oppose, given the way these charges have lingered for over 6 months in the committee, simply referring them to the outside counsel to fully and thoroughly investigate them and take such action as is appropriate. That is where integrity begins.

CHURCH ARSON PREVENTION ACT OF 1996

Mr. HYDE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3525) to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property, with a Senate amendment thereto and occur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Church Arson Prevention Act of 1996''.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The incidence of arson or other destruction or vandalism of places of religious worship, and the incidence of violent interference with an individual's lawful exercise or attempted exercise of the right of religious freedom at a place of religious worship pose a serious national problem.

(2) The incidence of arson of places of religious worship has recently increased, especially in the context of places of religious worship that serve predominantly African-American congregations.

(3) Changes in Federal law are necessary to deal properly with this problem.

(4) Although local jurisdictions have attempted to respond to the challenges posed by such acts of destruction or damage to religious property, the problem is sufficiently serious, widespread, and interstate in scope to warrant Federal intervention to assist State and local jurisdictions.

(5) Congress has authority, pursuant to the Commerce Clause of the Constitution, to make acts of destruction or damage to religious property a violation of Federal law.

(6) Congress has authority, pursuant to section 2 of the 13th amendment to the Constitution, to make actions of private citizens motivated by race, color, or ethnicity that interfere with the ability of citizens to hold or use religious property without fear of attack, violations of Federal criminal law.

SEC. 3. PROHIBITION OF VIOLENT INTERFERENCE WITH RELIGIOUS WORSHIP.

Section 247 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ''subsection (c) of this section'' and inserting ''subsection (d)'';

(2) by redesignating subsections (c), (d), and (e), as subsection (d), (e), and (f), respectively;

(3) by striking subsection (b) and inserting the following:

''(b) The circumstances referred to in subsection (a) are that the offense is in or affects interstate or foreign commerce.

''(c) Whoever intentionally defaces, damages, or destroys any religious real property because of the race, color, or ethnic characteristics of any individual associated with that religious property, or attempts to do so, shall be punished as provided in subsection (d).'';

(4) in subsection (d), as redesignated—

(A) in paragraph (2)—

(i) by inserting ''to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this section,'' after ''bodily injury''; and

(ii) by striking ''ten years'' and inserting ''20 years'';

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(C) by inserting after paragraph (1) the following:

''(2) if bodily injury results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this section, and the violation is by means of fire or an explosive, a fine under this title or imprisonment for not more than 40 years, or both;'';

(5) in subsection (f), as redesignated—

(A) by striking ''religious property'' and inserting ''religious real property'' both places it appears; and

(B) by inserting '', including fixtures or religious objects contained within a place of religious worship'' before the period; and

(6) by adding at the end the following new subsection:

''(g) No person shall be prosecuted, tried, or punished for any noncapital offense under this section unless the indictment is found or the information is instituted not later than 7 years after the date on which the offense was committed.''.

SEC. 4. LOAN GUARANTEE RECOVERY FUND.

(a) IN GENERAL.—

(1) IN GENERAL.—Using amounts described in paragraph (2), the Secretary of Housing and Urban Development (referred to as the ''Secretary'') shall make guaranteed loans to financial institutions in connection with loans made by such institutions to assist organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 that have been damaged as a result of acts of arson or terrorism in accordance with such procedures as the Secretary shall establish by regulation.

(2) USE OF CREDIT SUBSIDY.—Notwithstanding any other provision of law, for the cost of loan guarantees under this section, the Secretary may use not more than $5,000,000 of the amounts made available for fiscal year 1996 for the credit subsidy provided under the General Insurance Fund and the Special Risk Insurance Fund.

(b) TREATMENT OF COSTS.—The costs of guaranteed loans under this section, including the cost of modifying loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

(c) LIMIT ON LOAN PRINCIPAL.—Funds made available under this section shall be available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $10,000,000.

(d) TERMS AND CONDITIONS.—The Secretary shall—

(1) establish such terms and conditions as the Secretary considers to be appropriate to provide loan guarantees under this section, consistent with section 503 of the Credit Reform Act; and

(2) include in the terms and conditions a requirement that the decision to provide a loan guarantee to a financial institution and the amount of the guarantee does not in any way depend on the purpose, function, or identity of the organization to which the financial institution has made, or intends to make, a loan.

SEC. 5. COMPENSATION OF VICTIMS; REQUIREMENT OF INCLUSION IN LIST OF CRIMES ELIGIBLE FOR COMPENSATION.

Section 1403(d)(3) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(d)(3)) is amended by inserting ''crimes, whose victims suffer death or personal injury, that are described in section 247 of title 18, United States Code,'' after ''includes''.

SEC. 6. AUTHORIZATION FOR ADDITIONAL PERSONNEL TO ASSIST STATE AND LOCAL LAW ENFORCEMENT.

There are authorized to be appropriated to the Department of the Treasury and the Department of Justice, including the Community Relations Service, in fiscal years 1996 and 1997 such sums as are necessary to increase the number of personnel, investigators, and technical support personnel to investigate, prevent, and respond to potential violations of sections 247 and 844 of title 18, United States Code.

SEC. 7. REAUTHORIZATION OF HATE CRIMES STATISTICS ACT.

The first section of the Hate Crimes Statistics Act (28 U.S.C. 534 note) is amended—

(1) in subsection (b), by striking ''for the calendar year 1990 and each of the succeeding 4 calendar years'' and inserting ''for each calendar year''; and

(2) in subsection (c), by striking ''1994'' and inserting ''2002''.

SEC. 8. SENSE OF THE CONGRESS.

The Congress—

(1) commends those individuals and entities that have responded with funds to assist in the rebuilding of places of worship that have been victimized by arson; and

(2) encourages the private sector to continue these efforts so that places of worship that are victimized by arson, and their affected communities, can continue the rebuilding process with maximum financial support from private individuals, businesses, charitable organizations, and other non-profit entities.

Mr. HYDE (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

Mr. CONYERS. Mr. Speaker, reserving the right to object, I, of course, do not intend to object. I make this reservation so that we may have an opportunity to clarify how this text, which has been substituted by the other body, differs from the House-passed version of the legislation.

It is my understanding, Mr. Speaker, that this bill makes abundantly clear the jurisdiction federally under the Constitution's interstate commerce clause and the 13th amendment, increases maximum penalties for church arsons where bodily injury occurs, includes religious fixtures and objects as covered property, provides $5 million in HUD loan guarantees and reauthorizes the Hate Crimes Statistic Act.

I wonder if this is the chairman's understanding, Mr. Speaker, and I will yield to the gentleman from Illinois for the purpose of elaboration on this point and observe that the unanimity of our cause has been underlined by the gentleman from Oklahoma, Mr. J.C. WATTS, in the work that he and other Members on the gentleman's side have been doing, along with the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, the gentleman from Georgia, Mr. SANFORD BISHOP, and the gentlewoman from North Carolina, Mrs. EVA CLAYTON.

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

Mr. CONYERS. I yield to the gentleman from Illinois.

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Mr. HYDE. Mr. Speaker, I thank the gentleman, and I want to congratulate the gentleman for his being the chief cosponsor of this legislation and his important work in advancing it to the point where it is today ready for passage.

The Senate amendment retains the provisions of the House version, which amends section 247 of title XVIII to eliminate the $1 minimum, to clarify the interstate commerce requirement, and to make it a crime to destroy religious property due to the racial or ethnic character of persons affiliated with the property.

The Senate amendment includes the House language making personal injury victims of section 247-type crimes eligible under the Victims of Crime Act, but does not create a priority for those victims. The Senate amendment also corresponds the penalties in section 247 to those in the Federal arson statute.

The Senate amendment includes a $5 million loan guarantee program under HUD to assist in the rebuilding of nonprofit property damaged by arson or terrorism. This provision has been cleared with the Committee on Banking and Financial Services.

The Senate amendment authorizes funding to the Departments of Treasury and Justice in 1996 and 1997 for personnel to investigate and respond to violations of section 247 and section 844 of title XVIII. The Senate amendment reauthorizes the Hate Crimes Statistics Act for 6 years, through the year 2002.

Mr. CONYERS. Mr. Speaker, I thank the chairman of the Committee on the Judiciary for his excellent clarification. I commend him personally for the way that, as the sponsor of this measure, he was worked with all the Members, not only on the committee but in the Congress, and I might commend the House itself for the enormous rapidity with which we have acted. I think that the action this Congress has taken and the speed with which we have moved serves notice to all would-be terrorists of the domestic variety that the Federal and State governments will use all of their activities and resources to prosecute these destroyers of houses of worship. They can run but they cannot hide, and when found, they will be vigorously prosecuted.

Mr. Speaker, I withdraw my reservation of objection.

Mr. WATT of North Carolina. Reserving the right to object, Mr. Speaker, I wanted to do so to heap further praise on the chairman of the committee and on the ranking member, the gentleman from Michigan [Mr. CONYERS], for the haste with which they have moved this legislation along, and also to heap additional praise on the Senate for doing

what I think is a major improvement in the bill that had previously passed on the House side. The Senate has taken a good idea and made it surprisingly and pleasingly better than we started with.

There is one reservation that I have about the way we are doing this. I wanted to express that without objecting to the unanimous-consent request. That is, the disappointment that I am sure that all of our Members will feel at not having had the opportunity, because of this process, to vote unanimously in support of this resolution, to send another resounding signal to all Americans that this kind of conduct, church burnings, is not to be tolerated in our country, and this process is depriving us of having the opportunity to be able to cast a recorded vote.

But I understand the reason why. The reason is that these two gentlemen, the chairman of the committee, the gentleman from Illinois [Mr. HYDE], and the ranking member, understand that this is important to get this legislation passed and to the President immediately, and we are about to go home for a break, and we need to move this legislation along.

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

Mr. WATT of North Carolina. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, I want to associate myself entirely with the remarks of the gentleman from North Carolina [Mr. WATT] and let him know that my sentiments are his.

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

Mr. WATT of North Carolina. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I agree with both gentlemen. It would be desirable, but we do have other considerations. I think the expedition with which we pass this sends that same message. It was a unanimous vote in both Chambers, and that speaks loudly, as well as the fact that we are here today to get it passed.

Mr. WATT of North Carolina. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

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

There was no objection.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1972

Mr. LUTHER. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1972.

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

There was no objection.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY ACT OF 1996

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to call up the bill (H.R. 3663) to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3663

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 ''District of Columbia Water and Sewer Authority Act of 1996''.

SEC. 2. PERMITTING ISSUANCE OF REVENUE BONDS FOR WASTEWATER TREATMENT ACTIVITIES.

(a) AUTHORITY TO ISSUE BONDS.—

(1) IN GENERAL.—The first sentence of section 490(a)(1) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–334(a)(1), D.C. Code) is amended—

(A) by striking ''and industrial'' and inserting ''industrial''; and

(B) by striking the period at the end and inserting the following: '', and water and sewer facilities (as defined in paragraph (5)).''.

(2) WATER AND SEWER FACILITIES DEFINED.—Section 490(a) of such Act (sec. 47–334(a), D.C. Code) is amended by adding at the end the following new paragraph:

''(5) In paragraph (1), the term 'water and sewer facilities' means facilities for the obtaining, treatment, storage, and distribution of water, the collection, storage, treatment, and transportation of wastewater, storm drainage, and the disposal of liquids and solids resulting from treatment.''.

(b) USE OF REVENUES TO MAKE PAYMENTS ON BONDS.—The second sentence of section 490(a)(3) of such Act (sec. 47–334(a)(3), D.C. Code) is amended by inserting after ''property'' each place it appears in subparagraphs (A) and (B) the following: ''(including water and sewer enterprise fund revenues, assets, or other property in the case of bonds, notes, or obligations issued with respect to water and sewer facilities)''.

(c) PERMITTING DELEGATION OF AUTHORITY TO ISSUE REVENUE BONDS TO WATER AND SEWER AUTHORITY.—

(1) IN GENERAL.—Section 490 of such Act (sec. 47–334, D.C. Code) is amended by adding at the end the following new subsection:

''(h)(1) The Council may delegate to the District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996 the authority of the Council under subsection (a) to issue revenue bonds, notes, and other obligations to borrow money to finance or assist in the financing or refinancing of undertakings in the area of utilities facilities, pollution control facilities, and water and sewer facilities (as defined in subsection (a)(5)). The Authority may exercise authority delegated to it by the Council as described in the first sentence of this paragraph (whether such delegation is made before or after the date of the enactment of this subsection) only in accordance with this subsection.

''(2) Revenue bonds, notes, and other obligations issued by the District of Columbia Water and Sewer Authority under a delegation of authority described in paragraph (1) shall be issued by resolution of the Authority, and any such resolution shall not be considered to be an act of the Council.

''(3) The provisions of subsections (a) through (e) shall apply with respect to the District of Columbia Water and Sewer Authority, the General Manager of the Authority, and to revenue bonds, notes, and other obligations issued by the Authority under a delegation of authority described in paragraph (1) in the same manner as such provisions apply with respect to the Council, to the Mayor, and to revenue bonds, notes, and other obligations issued by the Council under subsection (a)(1) (without regard to whether or not the Council has authorized the application of such provisions to the Authority or the General Manager).

''(4) The fourth sentence of section 446 shall not apply to—

''(A) any amount (including the amount of any accrued interest or premium) obligated or expended from the proceeds of the sale of any revenue bond, note, or other obligation issued pursuant to this subsection;

''(B) any amount obligated or expended for the payment of the principal of, interest on, or any premium for any revenue bond, note, or other obligation issued pursuant to this subsection;

''(C) any amount obligated or expended to secure any revenue bond, note, or other obligation issued pursuant to this subsection; or

''(D) any amount obligated or expended for repair, maintenance, and capital improvements to facilities financed pursuant to this subsection.''.

(2) CONFORMING AMENDMENT.—The fourth sentence of section 446 of such Act (sec. 47–304, D.C. Code) is amended by striking ''(f) and (g)(3)'' and inserting ''(f), (g)(3), and (h)(4)''.

SEC. 3. TREATMENT OF REVENUES AND OBLIGATIONS.

(a) EXCLUSION OF REVENUES FOR PURPOSES OF CAP ON AGGREGATE DISTRICT DEBT.—Paragraphs (1) and (3)(A) of section 603(b) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–313(b), D.C. Code) are each amended by inserting after ''revenue bonds,'' the following: ''any revenues, charges, or fees dedicated for the purposes of water and sewer facilities described in section 490(a) (including fees or revenues directed to servicing or securing revenue bonds issued for such purposes),''.

(b) EXCLUSION OF OBLIGATIONS RELATING TO DEBT SERVICING PAYMENTS ON CERTAIN GENERAL OBLIGATION BONDS.—

(1) IN GENERAL.—Section 603(b)(2) of such Act (sec. 47–313(b)(2), D.C. Code) is amended—

(A) by striking ''and obligations'' and inserting ''obligations''; and

(B) by inserting after ''establishment,'' the following: '', and obligations incurred pursuant to general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects,''.

(2) CONFORMING AMENDMENT.—Section 603(b)(3)(B) of such Act (sec. 47–313(b)(3)(B), D.C. Code) is amended by inserting after ''bonds'' the following: ''(less the allocable portion of principal and interest to be paid during the year on general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects)''.

SEC. 4. TREATMENT OF BUDGET OF WATER AND SEWER AUTHORITY.

(a) PREPARATION OF INDEPENDENT BUDGET.—Subpart 1 of part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting after section 445 the following new section:

''WATER AND SEWER AUTHORITY BUDGET

''SEC. 445A. The District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996 shall prepare and annually submit to the Mayor, for inclusion in the annual budget, annual estimates of the expenditures and appropriations necessary for the operation of the Authority for the year. All such estimates shall be forwarded by the Mayor to the Council for its action pursuant to sections 446 and 603(c), without revision but subject to his recommendations. Notwithstanding any other provision of this Act, the Council may comment or make recommendations concerning such annual estimates, but shall have no authority under this Act to revise such estimates.''.

(b) EXEMPTION FROM REDUCTIONS OF BUDGETS OF INDEPENDENT AGENCIES.—Section 453(c) of such Act (sec. 47–304.1(c), D.C. Code) is amended—

(1) by striking ''courts or the Council, or to'' and inserting ''courts, the Council,''; and

(2) by striking the period at the end and inserting the following: '', or the District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996.''.

(c) CONFORMING AMENDMENT.—Section 442(b) of such Act (sec. 47–301(b), D.C. Code) is amended—

(1) by striking ''and the Commission'' and inserting ''the Commission''; and

(2) by striking the period at the end and inserting the following: '', and the District of Columbia Water and Sewer Authority.''.

(d) CLERICAL AMENDMENT.—The table of contents of subpart 1 of part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting after the item relating to section 445 the following new item:

''Sec. 445A. Water and Sewer Authority budget.''.

SEC. 5. CLARIFICATION OF COMPENSATION OF CURRENT EMPLOYEES OF DEPARTMENT OF PUBLIC WORKS.

The first sentence of section 205(b)(2) of such Act (sec. 43–1675(b)(2), D.C. Code) is amended by striking ''duties)'' and inserting ''duties, and except as may otherwise be provided under the personnel system developed pursuant to subsection (a)(4) or a collective bargaining agreement entered into after the date of the enactment of this Act)''.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DAVIS

Mr. DAVIS. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DAVIS:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''District of Columbia Water and Sewer Authority Act of 1996''.

SEC. 2. PERMITTING ISSUANCE OF REVENUE BONDS FOR WASTEWATER TREATMENT ACTIVITIES.

(a) AUTHORITY TO ISSUE BONDS.—

(1) IN GENERAL.—The first sentence of section 490(a)(1) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–334(a)(1), D.C. Code) is amended—

(A) by striking ''and industrial'' and inserting ''industrial''; and

(B) by striking the period at the end and inserting the following: '', and water and sewer facilities (as defined in paragraph (5)).''.

(2) WATER AND SEWER FACILITIES DEFINED.—Section 490(a) of such Act (sec. 47–334(a), D.C. Code) is amended by adding at the end the following new paragraph:

''(5) In paragraph (1), the term 'water and sewer facilities' means facilities for the obtaining, treatment, storage, and distribution of water, the collection, storage, treatment, and transportation of wastewater, storm drainage, and the disposal of liquids and solids resulting from treatment.''.

(b) USE OF REVENUES TO MAKE PAYMENTS ON BONDS.—The second sentence of section 490(a)(3) of such Act (sec. 47–334(a)(3), D.C. Code) is amended by inserting after ''property'' each place it appears in subparagraphs (A) and (B) the following: ''(including water and sewer enterprise fund revenues, assets, or other property in the case of bonds, notes, or obligations issued with respect to water and sewer facilities)''.

(c) PERMITTING DELEGATION OF AUTHORITY TO ISSUE REVENUE BONDS TO WATER AND SEWER AUTHORITY.—

(1) IN GENERAL.—Section 490 of such Act (sec. 47–334, D.C. Code) is amended by adding at the end the following new subsection:

''(h)(1) The Council may delegate to the District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996 the authority of the Council under subsection (a) to issue revenue bonds, notes, and other obligations to borrow money to finance or assist in the financing or refinancing of undertakings in the area of utilities facilities, pollution control facilities, and water and sewer facilities (as defined in subsection (a)(5)). The Authority may exercise authority delegated to it by the Council as described in the first sentence of this paragraph (whether such delegation is made before or after the date of the enactment of this subsection) only in accordance with this subsection.

''(2) Revenue bonds, notes, and other obligations issued by the District of Columbia Water and Sewer Authority under a delegation of authority described in paragraph (1) shall be issued by resolution of the Authority, and any such resolution shall not be considered to be an act of the Council.

''(3) The fourth sentence of section 446 shall not apply to—

''(A) any amount (including the amount of any accrued interest or premium) obligated or expended from the proceeds of the sale of any revenue bond, note, or other obligation issued pursuant to this subsection;

''(B) any amount obligated or expended for the payment of the principal of, interest on, or any premium for any revenue bond, note, or other obligation issued pursuant to this subsection;

''(C) any amount obligated or expended to secure any revenue bond, note, or other obligation issued pursuant to this subsection; or

''(D) any amount obligated or expended for repair, maintenance, and capital improvements to facilities financed pursuant to this subsection.''.

(2) CONFORMING AMENDMENT.—The fourth sentence of section 446 of such Act (sec. 47–304, D.C. Code) is amended by striking ''(f) and (g)(3)'' and inserting ''(f), (g)(3), and (h)(3)''.

SEC. 3. TREATMENT OF REVENUES AND OBLIGATIONS.

(a) EXCLUSION OF REVENUES FOR PURPOSES OF CAP ON AGGREGATE DISTRICT DEBT.—Paragraphs (1) and (3)(A) of section 603(b) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–313(b), D.C. Code) are each amended by inserting after ''revenue bonds,'' the following: ''any revenues, charges, or fees dedicated for the purposes of water and sewer facilities described in section 490(a) (including fees or revenues directed to servicing or securing revenue bonds issued for such purposes),''.

(b) EXCLUSION OF OBLIGATIONS RELATING TO DEBT SERVICING PAYMENTS ON CERTAIN GENERAL OBLIGATION BONDS.—

(1) IN GENERAL.—Section 603(b)(2) of such Act (sec. 47–313(b)(2), D.C. Code) is amended—

(A) by striking ''and obligations'' and inserting ''obligations''; and

(B) by inserting after ''establishment,'' the following: ''and obligations incurred pursuant to general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects,''.

(2) CONFORMING AMENDMENT.—Section 603(b)(3)(B) of such Act (sec. 47–313(b)(3)(B), D.C. Code) is amended by inserting after ''bonds'' the following: ''(less the allocable portion of principal and interest to be paid during the year on general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects)''.

SEC. 4. TREATMENT OF BUDGET OF WATER AND SEWER AUTHORITY.

(a) PREPARATION OF INDEPENDENT BUDGET.—Subpart 1 of part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting after section 445 the following new section:

''WATER AND SEWER AUTHORITY BUDGET

''SEC. 445A. The District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996 shall prepare and annually submit to the Mayor, for inclusion in the annual budget, annual estimates of the expenditures and appropriations necessary for the operation of the Authority for the year. All such estimates shall be forwarded by the Mayor to the Council for its action pursuant to sections 446 and 603(c), without revision but subject to his recommendations. Notwithstanding any other provision of this Act, the Council may comment or make recommendations concerning such annual estimates, but shall have no authority under this Act to revise such estimates.''.

(b) EXEMPTION FROM REDUCTIONS OF BUDGETS OF INDEPENDENT AGENCIES.—Section 453(c) of such Act (sec. 47–304.1(c), D.C. Code) is amended—

(1) by striking ''courts or the Council, or to'' and inserting ''courts, the Council,''; and

(2) by striking the period at the end and inserting the following: '', or the District of Columbia Water and Sewer Authority established pursuant to the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996.''.

(c) CONFORMING AMENDMENT.—Section 442(b) of such Act (sec. 47–301(b), D.C. Code) is amended—

(1) by striking ''and the Commission'' and inserting ''the Commission''; and

(2) by striking the period at the end and inserting the following: '', and the District of Columbia Water and Sewer Authority.''.

(d) CLERICAL AMENDMENT.—The table of contents of subpart 1 of part D of title IV of

the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting after the item relating to section 445 the following new item:

''Sec. 445A. Water and Sewer Authority budget.''.

SEC. 5. CLARIFICATION OF COMPENSATION OF CURRENT EMPLOYEES OF DEPARTMENT OF PUBLIC WORKS.

The first sentence of section 205(b)(2) of the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996 (sec. 43–1675(b)(2), D.C. Code) is amended by striking ''duties)'' and inserting ''duties, and except as may otherwise be provided under the personnel system developed pursuant to subsection (a)(4) or a collective bargaining agreement entered into after the date of the enactment of this Act)''.

Mr. DAVIS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. DAVIS] is recognized for 1 hour.

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

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

Mr. Speaker, H.R. 3663 is a completely noncontroversial measure which addresses major ongoing problems at the Blue Plains wastewater treatment facility and with the water and sewer pipes in the District of Columbia. The bill was bipartisan support. It was cosponsored by all of the members of the subcommittee on the District of Columbia and the regional delegation. It was reported out of both the subcommittee on the District of Columbia and the Committee on Government Reform and Oversight with unanimous voice votes.

H.R. 3663 changes the home rule charter so that the new water and sewer authority may issue revenue bonds and make other changes necessary to ensure both the independence of new authority and its financial responsibility. The newly created water and sewer authority is good not only for the residents of the city, but for everyone who lives in the metropolitan region. For the first time, the suburban jurisdictions will have representation on the governing board for Blue Plains.

Currently, the Blue Plains facility is caught up in the District's financial problems. This has led the Environmental Protection Agency to become involved in a resolution of the problem. The EPA supports both the District legislation and H.R. 3663, because they are the best immediate solution to the operational problems at Blue Plains.

The amendment in the nature of a substitute which I am offering is a purely technical correction of H.R. 3663, which in no way alters the substance or purpose of the bill. I have chosen to proceed along this path to avoid the confusion of making numerous minor corrections to H.R. 3663.

Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON], the ranking minority member of the subcommittee.

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding time to me. I want to associate myself entirely with the gentleman's remarks. This is a regional matter. All of the regional partners agree. It is before this body only because a charter change in the District of Columbia law requires the action of this body. The matter has enormous environmental implications. We want to move quickly, because we want to avoid environmental damage to the city and to the region. I appreciate the work of the gentleman in moving this matter forward to the floor.

Mr. DAVIS. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. WYNN].

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

Mr. Speaker, let me begin by expressing my compliments to the chairman of the Subcommittee on the District of Columbia of the Committee on Economic and Educational Opportunities. He has done an outstanding job in bringing this bill to the floor and bringing together the various parties who are affected.

Mr. Speaker, I am pleased to be a cosponsor of this important legislation concerning the Blue Plains wastewater treatment plant and the establishment of the District of Columbia water and sewer authority with full bonding authority. People do not often talk about sewage until it is backed up, but a regional water and sewer authority that represents the interests of all of the affected jurisdictions is critical so that the Blue Plains facility can make much needed capital improvements and repairs.

Currently the facility does not have the ability to borrow money to meet its capital needs for repairs and maintenance as a result of the District's credit rating. It is imperative that the necessary repairs and expansion of Blue Plains begin. A few months ago the Environmental Protection Agency expressed its concern that a breakdown of old and inadequate equipment could release untreated sewage, contaminating the Potomac River. This would be detrimental to the health and environment of all of us who live in the Washington metropolitan region.

I have been particularly concerned about these developments because Blue Plains currently handles 94 percent of the wastewater flows from Montgomery County and 54 percent of the wastewater flows from Prince Georges County, which are both in my congressional district. Prince Georges and Montgomery Counties contribute about $346 million in capital and operating costs, and we are certainly concerned about the advancement of this facility.

I have been especially pleased with the cooperation between the District and the suburban jurisdictions in resolving many of the conflicts relating to the water and sewer authority, and I believe this is a great example of regional cooperation. It is extremely important that we resolve these difficult issues so we can benefit all of the residents of the metropolitan area.

I would also like to conclude by complimenting the delegate from the District of Columbia [Ms. NORTON] for her leadership in helping us resolve these issues. I am pleased to support this legislation.

Mr. DAVIS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 3663, the District of Columbia Water and Sewer Authority Act of 1996. I especially want to thank and praise the chairman of the D.C. Subcommittee, TOM DAVIS, for his hard work in crafting a bill which has the support of the D.C. Council and all of the local governments in the jurisdictions that surround the District of Columbia. I am an original cosponsor of this legislation, along with the Members of the Washington regional delegation.

H.R. 3663 would allow the newly-formed Water and Sewer Authority to issue revenue bonds. The bill would give the authority the independence that it needs to govern the Blue Plains wastewater treatment plant in a manner that will address the common concerns of the area jurisdictions. Under this bill, the suburban jurisdictions will have representation on the governing board for Blue Plains.

The effective operation of the Blue Plains is critical to my constituents in Montgomery County. Indeed, the efficient operation of Blue Plains is of great importance to the citizens of the District of Columbia, Prince Georges County, and northern Virginia. We all have a significant stake in this facility.

Montgomery County and Prince Georges County together account for more than 39 percent of the sewage that is processed at Blue Plains. Montgomery County is almost totally dependent on Blue Plains, with 95 percent of its sewage flowing to the D.C. plant. The county also provides its proportionate share of funding for the operations of the plant.

We are all interested in making sure that Blue Plains operates in an environmentally-healthy manner. We all want clean water to drink, and we all want to ensure the preservation of the Potomac River and the Chesapeake Bay. The District and the suburban jurisdictions have a shared interest in working together to make the Blue Plains wastewater treatment plant an effective facility. H.R. 3663 will take us one step closer toward our goal.

Again, I commend Congressman DAVIS and the members of the subcommittee for crafting this noncontroversial and important legislation.

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

Mr. Speaker, this has taken a lot of work on behalf of a lot of people. I thank the gentlewoman from the District of Columbia [Ms. NORTON] for her help in helping bring the city to the table; Mike Rogers, the Mayor, and the entire council, for being flexible on this issue; to Wayne Curry, the chief executive of Prince Georges County; Doug Duncan, the county executive in Montgomery County; Cathy Hanley, the supervisor and the chairman at Fairfax County. I think all worked together with the regional congressional delegation to bring this about and save Congress a lot of time on this bill, and also do what is right for the region. I appreciate their efforts.

Mr. HOYER. Mr. Speaker, I want to thank Chairman DAVIS and delegate HOLMES-NORTON for their continued leadership and hard work on this bill which will provide the newly created District of Columbia Water and Sewer Authority with the ability to issue bonds. Since this new authority will oversee operations at the Blue Plains Water Treatment Facility, it is important that it have the necessary power to deal with issues of concern at the plant.

The citizens living in the Washington metropolitan region remain concerned about operations and management problems at the Blue Plains and the environmental and safety impact of the problems Blue Plains has been experiencing. At a time when we are substantially improving the region's water quality, it is important that we preserve our fragile environment and protect human health.

The ability of this new independent authority to function effectively will go a long way in helping to alleviate some of these concerns. Granting bonding ability will enable the authority to collect its own revenues. This will move us a step closer to ensuring protection of human life and the environment while providing for better operations, proper equipment, financial stability, and sufficient staffing levels. It will enable Blue Plains to manage its business affairs outside the domain of the District's tenuous budgetary affairs. I believe residents living in the surrounding jurisdictions will take comfort in knowing that.

The establishment of the authority is a good step in the right direction. However, one additional step is critical. The authority must be given the power to raise capital to operate and make much needed improvements at the Blue Plains plant.

I would be remiss if I did not express my satisfaction with the cooperative efforts of the suburban jurisdictions and the District. It would have been very difficult to bring this legislation to the floor without their collaboration and support. Again, I want to thank Chairman DAVIS for working with Members in the region to develop a bill which we can all support, and I urge swift adoption of this legislation.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Virginia [Mr. DAVIS].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DAVIS. 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. 3663.

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

There was no objection.

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DISAPPROVAL OF MOST-FAVORED-NATION TREATMENT FOR CHINA

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 463, I call up the joint resolution (H.J. Res. 182) disapproving the extension of nondiscriminatory treatment—most-favored-nation treatment—to the products of the People's Republic of China, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 182 is as follows:

H.J. RES. 182

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on May 31, 1996, with respect to the People's Republic of China.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 463, the gentleman from Texas [Mr. ARCHER] and the gentleman from California [Mr. STARK] will each be recognized for 1 hour.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to yield half of my time to the gentleman from Florida [Mr. GIBBONS] and that he be permitted to control that time.

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

There was no objection.

Mr. STARK. Mr. Speaker, I ask unanimous consent to yield 30 minutes of my time to the gentleman from Kentucky [Mr. BUNNING] and that he be permitted to control that time.

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

There was no objection.

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on House Joint Resolution 182.

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

There was no objection.

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

Mr. Speaker, I speak today in strong opposition to House Joint Resolution 182, which would disapprove the extension of most-favored-nation status, or more accurately, normal trade relations to the People's Republic of China. On June 18, the Committee on Ways and Means reported this resolution adversely by an overwhelming bipartisan vote of 31 to 6.

Mr. Speaker, all of us in this Chamber share a common goal of fostering freedom, democracy, and human rights in China. We of course have deep concerns about China's human rights record, which demonstrates that serious abuses and strong-arm tactics occur all too often. Yet, steady improvements over the decade in the daily lives of the Chinese people is also clearly in evidence.

Mr. Speaker, I am opposed to this resolution because it would have the effect of severing completely our trading relations with China. Such a step would be counterproductive to fostering the growth of freedom and democracy in that nation and would extinguish our ability to improve the human rights situation there.

We have proof that the commercial opportunities set in motion by MFN trade status have given Chinese workers and firms a strong stake in the free market reforms occurring in China and allow our companies to lead by example in spreading our values and ideals throughout the country.

We have no proof that ending this relationship would somehow force China to improve human rights in that country. We have isolated China before, and it did not work. The conditions were worse. Revoking MFN will be an empty gesture and could return us to that cold environment.

In addition, United States commercial involvement with China is critical to our economic objectives. China, whose economy is now the third largest in the world, continues to embark on massive infrastructure programs, spending billions of dollars annually in sectors in which we lead: High technology, aerospace, petrochemical, and telecommunication. With per capita income doubling every 6 or 7 years, the Chinese economy is expanding at an outstanding pace and has an insatiable appetite for goods.

Our participation in that huge market translates directly into U.S. jobs. Our trade relationships with the Chinese have created 200,000 high-paying jobs in the United States, with another 400,000 United States jobs indirectly supported in transportation, production, and distribution fields.

Finally, our interests concerning national security are at stake in this debate. Our presence in China puts us in the best position to influence the Chinese Government concerning sensitive issues in the region, including North Korea, weapons proliferation, and military expansion in the South China Sea.

The recent agreement with China on protecting intellectual property is powerful evidence that our existing section 301 process is effective in dealing with bilateral trade disputes between the United States and China that exists under current law. As a result, it is not necessary to use the heavy-handed threat of removing MFN to handle such issues.

In the future, I intend to address whether it is in our best interests to change the annual review process so that we no longer are forced to put our trading relationship with China at risk every year. In addition, our committee will consider legislation that would change the misleading term, ''Most Favored Nation.'' The term implies that we are extending benefits that are greater than the normal tariffs that we extend to other nations under the World Trade Organization. However, we seek to do no more than to extend to China the same normal benefits that we give to all other trading partners.

Mr. Speaker, there is no doubt that the relationship between the United States and China is troubled. However, the solution is not to walk away. Instead, we should maintain free and open trade. That gives us the greatest opportunity to move step by step to a solution that would be far, far better in the minds of the American people.

For all of these reasons, I am strongly opposed to severing relations with China, to bringing down the curtain, to denying engagement, to help to bring about in the years to come a better situation in that country, and I urge my colleagues to vote no on this resolution.

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

Mr. STARK. Mr. Speaker, each year the President must seek a waiver from Congress to allow China to have most-favored-nation [MFN] status. Each year, China gives me at least one new reason to oppose normalized trade with China.

China consistently and flagrantly violates our laws and repudiates our values. China was caught red-handed sending materials to create nuclear weapons—last year to Iran and this year to Pakistan. World peace threatened, just to make a buck.

China's human rights violations have been a longstanding problem. Who among us could forget the sight of those tanks crushing students whose only crime was to meet publicly and peacefully to voice their opposition to their government? China still refuses its citizens the right to speak freely and to meet publicly.

This year's transgressions implicate China's top government officials. A series of Chinese companies operated by the children of senior Chinese officials played a major role in the illicit copying of over $2 billion of United States commercial goods.

Even worse, the son-in-law of China's top leader, Deng Shau Xiaoping, along with other relatives of top Chinese Government officials, has been implicated in the biggest seizure of illegal guns in our Nation's history. As you know, on May 22, 1996, U.S. customs officials intercepted $4 million worth of illegal AK–47 automatic weapons. The link between this illegal shipment and the Chinese Government is direct and indisputable.

I wrote the President urging him to bar all trade in the United States with the companies involved in this outrageous gun running scheme. The problem is not just the companies but to the government of China which exhibits a pattern of flaunting of United States and international laws.

The Chinese Government has no regard for the safety of our streets and our children, or the safety of our world. For these reasons, I adamantly oppose granting China favorable trading status.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I want to thank my friend, the gentleman from California [Mr. STARK] for yielding me this time.

There is no dispute about the outrageous human rights violations in China. The government has silenced dissidents, and the Tiananmen Square episode could still occur today in China. The use of labor, slave labor, continues in China. In addition, China is responsible for nuclear proliferation, the proliferation of other weapons of mass destruction. There is no dispute about that.

It is also clear that the conduct in China is financed because of access to the United States market. It is our consumers that are helping to finance the type of outrageous conduct within China. There is a lopsided balance of payment. We import $33 to $34 billion more products from China than we export ever year.

The Jackson-Vanik provisions were expressly created in order to make it clear that access to the U.S. market is not automatic and that nonmarket economies that do not perform to a certain standard are denied access to our market.

The United States has shown leadership before. It was the leadership of the United States to use trade sanctions in South Africa that brought down the apartheid practices of that country. It was the United States using the Jackson-Vanik provisions that changed the immigration policies of the Soviet Union. We have used trade policies in Uganda and Romania and other countries to bring about changes in those countries. When we exercise leadership, it is part of the proudest moments in the history of this country.

Certainly there are naysayers, naysayers who have financial interests in continuing a relationship with China. We always hear that. But when we stand tall, we bring about change. The United States has done it before, we should do it in China, and I urge my colleagues to support this resolution to make it clear that access to the United States market in China must maintain a standard of acceptable conduct that they do not today.

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

Mr. CARDIN. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Maryland and congratulate him on his well-reasoned statement.

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

Mr. Speaker, we are going to hear a lot of talk today about how bad things are in China. I am not here to rebut any of that. Yes, things are bad in China. They have been worse. We preferred to ignore them, though, when they were worse, because we did not have to face them.

I first went to China in the early 1970's. At that time it was perfectly obvious that we were faced with a tremendous task of trying to pull a very backward and a very crude nation into the modern world. We have made progress; not all of the progress I want to make and not all of the progress we should make.

However, by cutting off normal relationships, normal trade relationships to China, we would only succeed in isolating ourselves from China again and isolating the Chinese from the reality of the Western World. We should be building bridges at this time in our history, and not burning bridges.

Mr. Speaker, it is a lot easier to burn bridges, and we have a lot of bridge-burners in our Congress here. It is far more difficult to build the bridges. What kind of bridges should we be building? We should be bringing more Chinese students and encouraging more Chinese students to come here and be exposed to the Western ideal. We should be sending our students to China to help expose them to our Western ideas. We need some innovative thoughts, which I would hope that some of the committees of this Congress could come up with, other than the burning-bridge technique that is tried here on this resolution today.

It is far more difficult to do that, but it will be far more productive if we think of China as how we can bring their thoughts and their ideas into the modern times, into the Western ideal, remembering all the time that they have had almost 6,000 years of isolation from Western ideas, that their standards are far different than ours, that conditions are, yes, bad in China, but they have been far worse, and we should continue trying to make them better rather than throwing bombs and getting out.

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

Mr. BUNNING of Kentucky. Mr. Speaker, I ask unanimous consent to yield 15 minutes of my 30 minutes to the gentleman from California [Mr. ROHRABACHER] and that he be permitted to control that time.

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

There was no objection.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

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

I say to my colleagues, I sit here in continued amazement, because I keep hearing there is no disputing, from my side of the aisle by the gentleman from Texas [Mr. ARCHER]; there is no disputing from the Democrat side of the aisle, the gentleman from Florida [Mr. GIBBONS], that this Chinese Government is a rogue government, that they keep proliferating with nuclear activity, they keep dehumanizing people, and it goes on and on and on, but there is no disputing all this. All of my colleagues know and they admit it, but then they make all of these kinds of excuses.

Mr. Speaker, it is time to stand up to the financial interests that consistently push for business as usual with the criminal regime in Beijing, and it is time to discard the false dogma that says that if we just keep trading with Communist China, things will get better.

Some are comparing Communist China today to the depths of the Cultural Revolution 30 years ago when millions of people were being slaughtered, and they say that things have gotten better. Well, my goodness, Mr. Speaker, that is a pathetically low standard.

The fact is the behavior of the Beijing dictatorship is much worse than it was 5 or even 10 years ago, and you all sit here today and admit it. The trade deficit which destroys American jobs has tripled in the last 10 years. We all know it. Their military budget has more than doubled when ours and every other military budget in the world has been going down. It was just 3 months ago that they were lobbing missiles right off the Taiwanese coast in an act of intimidation.

Mr. Speaker, things are not getting better, they are getting worse and everybody in this Chamber knows it. How high does the trade deficit need to go before we react? How many more trade agreements does Communist China have to violate? You have all read about it in liberal newspapers, like The New York Times and The Washington Post, and how many people have to be imprisoned or killed for their political beliefs before we stand up on their behalf? Whatever happened to American foreign policy that looks out for human decency around this world? How much nuclear and chemical weapons material does Communist China have to ship to fellow rogue regimes, like Iran, our enemy, before we punish them? What will it take? Do they really have to make good on their threats to bomb Los Angeles?

Mr. Speaker, this dictatorial regime represents a growing threat to American interests, American jobs, and yes, even more importantly to American lives. I say to my colleagues, do not come back here 15 years from now and say, my goodness, I did not know it. They must be dealt with now, Mr. Speaker. History shows us very clearly that appeasement of tyrants does not work. In fact, it leads to more intransigence.

□ 1315

Mr. Speaker, I want everybody to come over to this Chamber and vote regardless of whether they have GE and IBM in their districts like I do with 25,000 employees and stand up for what is right in this country. We can cut off most-favored-nation treatment today and in a month we can restore it, because the Chinese will come to the table. They are smart people. They will then negotiate fair trade with this country, they will improve their human rights violations, and that is what this whole debate is all about.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is a violation of the rules of the House.

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Speaker, Teddy Roosevelt once said, ''The only safe rule is to promise little and faithfully to keep every promise; to speak softly and carry a big stick.'' That is where that great quotation came from. Well, America's new policy seems to be one of empty promises and empty threats, a policy toward China where we speak softly and carry no stick whatsoever.

My colleagues, we have the opportunity to send a message to the world that America will not support this rogue nation, that we will not condone terrorism, oppression, and intolerance. today we have the opportunity to effect a change in China's policies, and tell the rest of the world America allies itself with only those nations that advance and encourage fairness, those nations who foster democracy, and those nations who embrace freedom.

We hold the power today, my colleagues, the power to help the people of China break the bonds of mass misery, not for their votes, not for their money, but because it is right. It is the right thing to do.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN], a respected member of the Committee on Ways and Means.

Ms. DUNN of Washington. Mr. Speaker, I come from the Nation's most trade-dependent State, so the question of United States-China trade is crucial to the people I represent in Congress. In fact, Washington State ranks first among all 50 States in exports to China.

Contrary to what opponents of MFN suggest—trade with China does promote change. U.S. trade and investment teach the skills of free enterprise that are fundamental to a free society.

Washington State exports a number of U.S. products, from aircraft to software. And every single airplane and every single CD carries with them the seeds of change. These products serve to further unleash the free-market desires of the Chinese people. And I am certain that everyone of my colleagues would agree that it is in our national interest to move China toward a free market.

At the same time, we must make clear to the Chinese that their participation in the world economy and in international security arrangements can come about only with concrete evidence that China is abiding by norms of international behavior. Let me be clear: disengagement will not help us improve our relationship with China.

I suspect that my colleagues who oppose MFN would have had a difficult time suggesting that disengagement would have been the better course of action in addressing intellectual property piracy in China. In fact, it was only through engagement that we have been so successful on this front.

I propose that we use the following criteria to find the answer on difficult MFN cases like China's. We should extend normal trade status, or MFN, to a nation if: it allows U.S. investors and operators in; the rule of law is advancing; a multilateral action is unattainable; or we have that nation's assistance on a critical geopolitical issue.

Conversely, we should deny normal trade status to governments abusing their people if: a multilateral action is doable; they will not help the United States on other geopolitical issues; they do not allow U.S. employers in; and they do not respect the rule of law.

Indeed, I would go one step further by stating that the burden of proof is on those who deny normal trade status with China.

They must prove that an act of protest—such as denying to China normal trade status—would demonstrably improve the human rights situation in China, or how it would address grinding poverty or lessen religious persecution.

The only thing we know for certain is that an act of protest such as denying MFN would increase unemployment and suffering in the United States and result in a tremendous setback in our bilateral relationship with China.

I strongly urge my colleagues to oppose the resolution of disapproval.

Mr. STARK. Mr. Speaker, I would just like to remind my colleagues that China never was willing to deal with intellectual property rights until they were faced with the threat of trade sanctions.

At this point I am delighted to yield 11 minutes to the gentlewoman from California [Ms. PELOSI] who has been a leader in fighting for open trade, for human rights, and for bringing China

into the world of nations of human beings.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for being so generous in yielding me this time.

Mr. Speaker, this issue of granting most-favored-nation status to China is a very important one for the American people. It is about nothing less than our economic future, our national security, and our democratic principles.

As Members know, the debate in the House of Representatives and our disagreement on this issue has centered around the issues of trade, proliferation, and human rights. That is why I am so disappointed that we have so little time to debate this issue today and I can only ask the Republican leadership of this House and all of those who are so eager to move this along on both sides of the aisle, what are you afraid of? Are you afraid of the facts? Are you afraid over the Fourth of July break of constituents who cannot afford to travel to Washington who would have time to express their views to their Members of Congress? Are you afraid of 100,000 young people in Golden Gate Park gathered together to support a free Tibet?

I wish our colleagues were here and not away to a funeral or, without votes, off of Capitol Hill, because they must hear the facts. Because today Members of Congress will be asked to set down a marker: How far does China have to go? How much more repression, how big a trade deficit and loss of jobs to the American worker, and how much more dangerous proliferation has to exist before Members of this House of Representatives will say, ''I will not endorse the status quo''?

As I mentioned, it is about jobs, proliferation, and human rights. There are those who say we should not link human rights and trade and proliferation and trade. I disagree. But if we just want to take up this issue on the basis of economics alone, indeed China should not receive most-favored-nation status, for several reasons that I would like to go into now.

I would like to call the attention of my colleagues to this chart on the status quo that the business community is asking each and every one of us to endorse today. Right now we have a $34 billion trade deficit with China, the 1995 figure. It will be over $40 billion for 1996. Since the Tiananmen Square massacre, this figure has increased 1,000 percent, from $3.5 billion then to about $34 billion now.

In terms of tariffs, I think it is interesting to note that the average United States MFN tariff on Chinese goods coming into the United States is 2 percent; whereas the average Chinese MFN tariff on United States goods going into China is 35 percent. Is that reciprocal?

Exports. China only allows certain United States industries into China. Therefore, only 2 percent of United States exports are allowed into China. On the other hand, the United States allows China to flood our markets with one-third of their exports, and that will probably go over 40 percent this year, and it is limitless because we have not placed any restriction on it.

In terms of jobs, this is the biggest and cruelest hoax of all. Not only do we not have market access, not only do they have prohibitive tariffs, not only are our exports not let in very specifically, but China benefits with at least 10 million jobs from United States-China trade. The President in his statement requesting this special waiver said that China trade supports 170,000 jobs in the United States, whereas our imports from China support at least 10 million jobs.

Mr. ROHRABACHER. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. ROHRABACHER. The gentlewoman is saying that 170,000 jobs are created in the United States by the China trade but are there not many more jobs that are lost in the United States?

Ms. PELOSI. That is the point I was getting to. I appreciate the gentleman focusing on that.

The fact is that United States-China trade is a job loser for the United States. Our colleagues on the other side of this issue will say that exports to China have increased 3 times in the last 10 years. They have. But they fail to mention that imports from China have increased 11 times, thereby leading to this huge trade deficit.

It is a job loser for several other reasons. There is an important issue that we are all familiar with: Piracy of our intellectual property. It remains to be seen if China will honor the commitment it has made in the recent agreement. It has not honored the memoranda of understanding or last year's agreement and indeed there is a report in the press yesterday that one of the PLA, People's Liberation Army factories has resumed production. But, the other issue is technology transfer. If intellectual property is a $2 billion, $3 billion loss, technology transfer is in the hundreds of billions of dollars. If you want to sell to China, bring United States products into China, the Chinese insist that you open a factory there. They misappropriate your technology, open factories of their own and then say to you, ''Now we want to see your plan for export.'' That is as simply as I can say it briefly.

But the fact is this is not about products made in America. The Chinese want American products that are made in China. The most serious of these transfers of technology are in the airline industry, where tail sections of the Boeing 737's were mostly made in Wichita, KS. Now they are made in Xi'an Province where workers make $50 a month and the transfer of the technology and the transfer of the jobs has taken place. General Motors, Ford, they are all fighting to get in to build factories there so they can make parts there. They want MFN so they can get those parts back into the United States. So we are exporting, not low-technology jobs and textile jobs, we are exporting our technology and high paying jobs. If you take a country the size of China with the very cheap and in some instances slave labor, the lack of market access, the ripoff of our intellectual property, the transfer of technology, a country that is not willing to play by the rules in any respect in this trade relationship, you have a serious threat not only to our relationship but to the industrialized world.

If there is one message that I want our colleagues and our constituents to understand today is that on this day, your Member of Congress could have drawn the line to say to the President of the United States, do something about this United States-China trade relationship. It is a job loser for the United States.

This brings us to the point that others have said, ''Well, we can't isolate China.'' Do you think for one minute that with at least 10 million jobs and $35 billion in profit, and it will be over $40 billion this year in a trade surplus, all those billions of dollars in surplus, that the Chinese are going to walk away? Where are they going to take 35 to 40 percent of their exports? Who is going to buy them? Their exports to the United States are what sustains the regime—the funding and the jobs. They cannot have those people out of work. They have to be at work exporting to the United States.

So we have a situation where again I say human rights, while others think they should not be linked, I think they are linked. We all agree, China will be large, it will be powerful, it is in our interest that they be free. For those who say that economic reform will lead to political reform, I reject that notion of trickle-down liberty. It has not worked. In fact, even by the Clinton administration's own country report on China, it has said that economic reform, and the quote is in my full statement, has not led to political reform because the government has not allowed that to happen.

I would like to quote from a China scholar, and I will read from this:

David Shambaugh, editor of China Quarterly, the leading academic journal on Chinese affairs, recently wrote:

> Let us not deceive ourselves. China's political system remains authoritarian and repressive. In fact, it has become significantly more so in recent years. The Chinese regime is one of the worst abusers of human rights and basic freedoms. It maintains itself in power in part through intimidation and coercion of the population. It tolerates no opposition.

The third issue of concern is proliferation, the most dangerous issue of all. Both in the Bush administration and in the Clinton administration, our administrations have waived sanctions over and over for the proliferation of nuclear and missile technology to Pakistan and nuclear missile and chemical and biological technology to

Iran and all of the above other rogue States.

□ 1330

Mr. Speaker, how dangerous does the transfer of weapons technology have to be, I would ask my colleagues, to stop us from putting our seal of approval on this policy? We are not legislating here today. The President will call the shot on most-favored-nation status. But what we are doing is either putting our name down in support of the status quo or calling out for change.

Mr. Speaker, as we approach our own Fourth of July, I hope that Members in this body will remember others who have studied the words of our Founding Fathers. Others who were inspired by them, who quoted those words in Tiananmen Square and were arrested for doing so, particularly Wei Jingsheng. He is the father of the democracy movement in China and is in jail for his second 14-year term because he has spoken out for freedom.

My dear colleagues, today we will have a chance to make the world safer, the political climate freer and the trade fairer. I urge Members to vote ''no'' on MFN.

Mr. Speaker, I rise today in opposition to President Clinton's request for a special waiver to grant most favored nation status to China.

The debate over China MFN is an important one for the American people. Nothing less is at stake than our economic future, our democratic principles and our national security. That is why I regret that the Republican leadership has chosen to railroad this legislation through the House. This action deprives our constituents, who cannot afford to come to Washington, of expressing their views over the July 4 break. That has always been the situation. This is a departure.

What are the proponents of MFN for China afraid of? Are they afraid of the truth? Are they afraid that Members may have to answer to their constituents for siding with the multinational corporations? Are they afraid of the 100,000 young people who gathered in Golden Gate Park on June 15 and 16 to support a free Tibet?

Today Members will be asked to give their seal of approval on the status quo in United States-China relations. The business community may overwhelm Capitol Hill, the President may tell you that he really needs you, but it is our vote and our constituents who will judge us on how we voted—not on who made us do it. Let us see what the business community is asking you to put your good name to:

Let us start with the truth about the trade situation—the hoax that the United States-China trade relationship is a job winner for our country. The facts are to the contrary:

TRADE

China does not play by the rules. On a strictly trade-for-trade basis, China should not receive MFN because it does not reciprocate the trade benefits we grant to them with MFN. The average United States MFN tariff rate on Chinese goods is 2 percent. The average Chinese MFN tariff rate on United States goods is 35 percent. Despite the fact that over one-third of China's exports are sold into the United States market, China's high tariffs and non-tariff barriers limit access to the Chinese market for United States goods and services. Only 2 percent of United States exports are allowed into China. The result is a $34 billion United States trade deficit with China in 1995. Ten years ago, in 1985, our trade with China was only $10 million. The huge trade deficit, which is expected to exceed $41 billion in 1996, does not include the economic loss from China's piracy of United States intellectual property, which cost the United States economy $2.4 billion in 1995 alone. It does not include the loss to our economy from Chinese insistence on production and technology transfer which hurts American workers and robs our economic future. And, it does not include money gained by China in the illegal smuggling of AK–47's and other weapons into the United States by the Chinese military.

You will hear that trade with China is important for United States jobs. President Clinton's statement accompanying his request to renew MFN, claims that ''United States exports to China support 170,000 American jobs.'' These jobs are important, but they must be seen in a larger context.

Other trade relationships of comparable size to the United States-China trade relationship support more than twice as many jobs in the United States as United States-China trade. For example, the United States-United Kingdom trade relationship, totalling $2 billion less than the United States-China trade relationship, supports 432,000 jobs. The United States-South Korea relationship, totalling $8 billion less than the United States-China trade relationship, supports 381,000 jobs.

United States-China trade generates over 10 million jobs in China. Ten million jobs and a $34 billion and the business community says China will walk away. Where will they take one-third of their exports?

We must also be concerned about the harm to our economy of the technology transfer and production transfer which is accompanying United States investment in China and United States sales to China.

The Chinese Government demands that companies wishing to obtain access to the Chinese market not only build factories there, But also transfer state-of-the-art technology in order to do so. The Government then misappropriates that technology to build China's own industries. The companies have little choice, in light of the high tariffs for their products to reach the Chinese marketplace. This is a $100 billion problem.

A recent Washington Post article, ''A China Trade Question: Is It Ready for Rules?'' May 19, 1996, outlines a number of serious questions about China's willingness to abide by the rules that govern international trade. On the critical issue of technology transfer, this article states that:

> As vital as the Chinese market is, the appropriation of foreign technology by the Chinese poses a serious problem for the industrialized world—''much more serious than CD pirating,'' said Kenneth Dewoskin, a professor at the University of Michigan and adviser with Coopers & Lybrand's China consulting business. ''Think of telecommunications, automotive, electronics, very high technology chemicals—there's enormous value in that technology. You're talking hundreds of billions of dollars.''

Dewoskin continued:

> ''When you provide technology to your Chinese venture, it has to be certified by one of these research and design institutes,'' he said, ''but unfortunately, those are the same institutes whose job it is to disseminate technology to domestic ventures.''

The Chinese Government is using our technology to build its own industries to the detriment of United States industries and we are not only letting them do this, our policies are encouraging them in this practice.

Some people argue that trade should not be linked to violations of human rights and proliferation. I disagree. However, even if we consider the United States-China relationship solely on economic grounds, China should not receive unconditional MFN.

PROLIFERATION

China does not play by the rules. China continues to transfer nuclear, missile and chemical weapons technology to unsafeguarded countries, including Iran and Pakistan, in violation of international agreements and yet the United States continues to hold them to a different standard.

While Congress is in the process of passing legislation to implement a secondary boycott on companies doing business with Iran, the administration is ignoring China's sales of cruise missiles and other dangerous technology to Iran. China's actions make the Middle East, indeed, the entire world, a more dangerous place.

In return for turning a blind eye to unacceptable Chinese Government actions, the administration has been rewarded only with an increase in the extent and the nature of the Chinese transgressions. During the Bush administration, Secretary Baker chose not to implement sanctions for China's violation of the missile technology control regime by its transfer of M–LL missile technology to Pakistan. Instead, he relied on a Chinese promise to halt such practices. As has been the norm with our relationship with China, that promise by the Chinese Government was broken.

The Clinton administration, following the Bush administration pattern, has also accepted such promises, with the same result. instead of halting such practices, the Chinese Government has increased both the quantity and quality of its transfers. It has now gone beyond transferring only advanced missile technology and is providing nuclear and chemical weapons technology to non-safeguarded countries.

In order to avoid implementing sanctions triggered by the recent transfer of Chinese nuclear weapons technology to Pakistan, the administration said the Chinese Government was neither responsible for nor knowledgeable about the transfer of this dangerous technology. If we continue to absolve the Chinese Government of responsibility for the actions of state-run industries, then how can we expect the Chinese Government to live up to the missile technology control regime, the Nuclear Nonproliferation Treaty, and other international arms control treaties? We cannot continue to allow China to violate the rules. Signatories must be expected to have responsibility for institutions within their control or their signatures are not worth the paper on which they are written.

HUMAN RIGHTS

As the Beijing regime consolidates its power by increasing its foreign reserves through trade and the sale of weapons, China's authoritarian rulers are tightening their grip on

freedom of speech, religion, press and thought in China and Tibet.

According to the State Department's Annual Country Reports on Human Rights Practices for 1995, as well as Amnesty International and Human rights Watch, repression in China and Tibet continues. The State Department's own report documents the failure of ''constructive engagement'' to improve human rights in China, and notes that, The experience of China in the past few years demonstrates that while economic growth, trade, and social mobility create an improved standard of living, they cannot by themselves bring about greater respect for human rights in the absence of a willingness by political authorities to abide by the fundamental international norms. David Shambaugh, editor of the China Quarterly, the leading academic journal on Chinese affairs, recently wrote:

Let us not deceive ourselves—China's political system remains authoritarian and repressive. In fact, it has become significantly more so in recent years . . . the Chinese regime is one of the worlds worst abusers of human rights and basic freedoms . . . it maintains itself in power in large part through intimidation and coercion of the population. It tolerates no opposition.

Today we hear comparatively little about those fighting for freedom in China not because they are all busy making money, but because they have been exiled, imprisoned, or otherwise silenced by China's Communist leaders. According to the State Department's report, ''by year's end almost all public dissent against the central authorities was silenced.'' Our great country is ignoring the plight of China's pro-democracy activists. In the process, we are not only undermining freedom in China, but we are also losing our credibility to speak out for freedom and human rights throughout the world.

The past few months have seen China act to intimidate the people of Taiwan in their democratic elections, diminish democratic freedoms in Hong Kong, crack down on Freedom of religion by Christians in China and Buddhists in Tibet, and smuggle AK–47s into the United States via its state-run companies.

The MFN vote provides us with the only opportunity to demonstrate our concern about United States-China policy and our determination to make trade fairer, the political climate freer and the world safer.

Mr. STARK. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, the gentlewoman from California has touched on a lot of issues that are important to our colleagues: trade, jobs in this country, intellectual property. She somehow has missed a point or two that I am concerned with, and if I voted against this resolution, would I not, in effect, be supporting the thousands of children that have died in China's orphanages, where girl orphans have been selected for dying rooms, where they are tied up and left to die from neglect and starvation after they have been sexually assaulted?

If I voted against this resolution, would I not really be voting to support the practice of taking prisoners and executing them and selling their organs to the highest bidder, which goes on in China today?

And would I not be supporting, if I oppose this amendment, the fact that religious freedom does not exist and that harsh crackdowns of any unofficial religion, which is all religions except the State, the religious leaders are subject to physical abuse and prison terms? Would that not be the effect of my voting against this resolution?

Ms. PELOSI. Reclaiming my time, I would say to the gentleman, that would be the effect. I spent my time on the economics. I am so pleased the gentleman brought up the point, because the National Conference of Bishops opposes MFN.

Mr. GIBBONS. Mr. Speaker, I yield 2½ minutes to the gentleman from Indiana [Mr. HAMILTON].

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

Mr. HAMILTON. Mr. Speaker, I thank the ranking member for yielding me the time.

Mr. Speaker, today we are to vote on one of the most important foreign policy issues Congress will face this year: whether to extend China's most-favored-nation status for another year. I strongly urge my colleagues to support MFN renewal by voting against the Rohrabacher resolution of disapproval. Any other course will seriously damage crucial U.S. interests and undermine important American values.

TWO MISCONCEPTIONS

Let me at the beginning address two misconceptions about this vote. This vote is not a referendum on China's behavior. This is not a vote on whether we approve or disapprove of Chinese actions. This is a vote on how best to protect U.S. interests and promote American ideals. That should be the sole criterion for Members as they cast their vote today: What serves U.S. interests and values?

Let me turn now to misconception No. 2: the idea that MFN means preferential treatment for China. That's simply wrong. MFN does not denote special or privileged status. MFN simply means that we accord China the same treatment we give our other major trading partners. This is worth repeating: MFN does not constitute an American seal of approval. Iran, Iraq, Syria, and Libya all have MFN status, despite the fact that we have fundamental differences with these governments.

A DIFFICULT RELATIONSHIP

Mr. Speaker, the Chinese-American relationship is a complex one involving many tough issues: human rights and democracy, nonproliferation, Taiwan, Tibet, trade, and intellectual property rights. Managing this relationship is difficult even in the best circumstances.

At the same time, it is important to remember that sound Chinese-American relations are very much in the interest of the United States.

China, with one-fourth of the earth's population, is the world's largest country. A generation ago we tried to isolate this immense country. It didn't work. As a permanent member of the United Nations Security Council, China is not only a key country in Asia, but has a significant impact—for good or ill—on United States interests around the world. China has the world's largest standing army, which has a direct bearing on peace and stability in East and Southeast Asia. United States efforts to halt the spread of weapons of mass destruction in North Korea, South Asia, and the Middle East can succeed only if China cooperates with us and the rest of the international community. Without China's cooperation, we will be severely handicapped in our fight against narcotics trafficking, alien smuggling, and environmental degradation.

On the economic front, American exports and American jobs depend on decent relations with China. Last year, we sold $12 billion worth of goods to China. These exports supported 170,000 high-wage American jobs.

MFN AND HUMAN RIGHTS

These realities lead me to conclude that engagement with China will best promote our many interests—including our interest in protecting human rights. A decision to revoke MFN and isolate China, on the other hand, would eliminate whatever modest influence we now have on Chinese behavior, including its human rights practices. Do not misunderstand me. Even with MFN, China will remain, for the foreseeable future, an authoritarian state which routinely abuses the rights of its people. But the lesson of the past two decades in China—and the lessons of South Korea, Taiwan, and other authoritarian countries which have evolved into vibrant democracies—is that the best way to promote human rights is to stay engaged. Those who would have us retreat from China do the Chinese people no favors. Withdrawing from China will undermine the position of those Chinese we most want to support—entrepreneurs, reformers, students, and intellectuals. Revoking MFN will strengthen the hand of reactionary elements in China such as the army, central bureaucrats, and hardline Communists.

WDESPREAD SUPPORT FOR MFN

Within China, political dissidents are split on the question of MFN. But many of China's most prominent dissidents, including Wei Jingsheng and other leaders of the pro-democracy movement at Tiananmen Square, have publicly called for renewal of China's MFN status.

Our friends in Hong Kong, who live under the shadow of China, have urged

us to renew China's MFN. Christopher Patten, the Governor of Hong Kong, recently warned that revoking China's MFN would badly hurt Hong Kong. Martin Lee, Hong Kong's best known democratic politician, has said the same thing.

Our friends in Taiwan also see MFN renewal as the best way to safeguard Taiwanese interests.

In other words, those on the front lines, who have most reason to fear China, believe that their position would be undermined if Congress were to revoke China's MFN status. The argument is often made that revoking MFN will force China into more acceptable behavior.

MFN IN THE U.S. NATIONAL INTEREST

But the most important reason to renew MFN is that it is in the U.S. national interest.

MFN is not about doing China a favor. It is about doing the United States a favor. It is about supporting our security, political and economic interests. It is about standing up for important U.S. ideals and values

Renewing MFN for China will enable us to address our very real concerns about nuclear and missile proliferation. It will give us an opportunity to influence China's security policies in East Asia. It will help in our efforts to maintain peace on the Korean peninsula. It will give us at least a bit of influence on China's human rights behavior. It will enhance our efforts in the fields of counternarcotics, alien smuggling, and the environment. And it will provide the markets that translate into high-paying jobs for American workers.

CONSEQUENCES OF REVOKING MFN

Revoking MFN for China will also have consequences. It will greatly unsettle our friends and allies in the region. It will have an especially adverse impact on our friends in Taiwan and Hong Kong, who have pleaded with us not to take this step. It will undermine the pro-market, reformist elements in China we seek to assist. It will lessen our ability to make our influence felt on a whole range of issues—proliferation in South Asia, security on the Korean peninsula, stability in the South China Seas, Taiwan. It will make our task of securing U.N. Security Council approval for our initiatives in other parts of the world far more difficult. It will sever our economic ties with the world's largest market. And it will be seen by the Chinese, and the rest of Asia, as a declaration of economic warfare and an American attempt to isolate China.

These are serious penalties—penalties we will inflict upon ourselves if we revoke China's MFN.

Mr. Speaker, many of us are angry at China over its behavior and actions across a wide range of issues. Cutting off MFN would make us feel better. But it will not advance our interests nor promote our principles. The way to do this—the only way to advance important U.S. interests and promote fundamental American values—is to remain engaged with China. And this requires that we vote to renew MFN.

CHINA WILL NOT BE COERCED

Finally, let me address the argument that revoking MFN will force China into more acceptable behavior. Where is the evidence of this? Unfortunately, there is none. China is an old and proud country that is highly sensitive to perceived coercion by foreigners—and no more so than at this moment of political transition in Beijing.

We would not dream of buckling before foreign intimidation. Why would anyone think that China would do so? To the contrary, threats may cause Beijing to dig in its heels, producing the very behavior we are trying to discourage.

MFN opponents have said: But China needs us; it needs our markets.

Yes, China benefits by trading with us and hopes to continue that trade. But China can, if necessary, do without the U.S. market. It has in the past, before our opening to Beijing 25 years ago. And it can today—both because it has the ability to force its people to accept economic discomfort and because the world is filled with other countries eager to take our place in trade with China. History gives little evidence that China can be coerced into better behavior.

CONCLUSION

The choice is clear-cut. Isolating China will neither advance United States interests nor promote American principles. Our interests require engagement with China. That means MFN. Please join me in voting to extend China's MFN for another year. Vote ''no'' on the Rohrabacher resolution.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of the resolution of disapproval.

I see no reason to continue extending most-favored-nation trading status to China, and I commend Mr. ROHRABACHER for introducing the resolution before us today.

Every summer when the House wrestles with this issue, MFN supporters tell us we need to continue giving most-favored-nation status to China and how expanded commerce with Beijing is changing China for the better.

We hear that China is improving upon its pitiful human rights record, and that it is finally going to exorcise the ghosts of Tiannamen Square.

But, every year when MFN renewal comes before the House, I am reminded of the old saying, ''The more things change, the more they stay the same.''

MFN supporters keep telling us how continuing most-favored-nation trading status is changing China for the better.

But nothing really changes at all.

Since we visited this issue last year, China has not changed its brutal one-child-per-family policy of forced abortion and sterilization.

China hasn't stopped persecuting Christians or the Tibetan monks, and it still uses slave labor to produce commodities for export to the Unites State.

China continues to menace Taiwan and tried to undermine the recent elections with its thinly veiled threats of invasion.

It has not stopped smuggling AD-47's and other weapons to gangs in America, and only recently claims to have stopped exporting missiles to Iran and nuclear bomb-making materials to Pakistan.

Since the MFN debate last year, I can not see any hard evidence that China has begun mending its ways.

In fact, if Beijing is headed in any direction, it is backward.

Mr. Speaker, when dealing with China, I think that we should probably just put a new twist on the old adage and just say, ''The more things change, the more they get worse.''

I can think of no reason to support MFN or to further encourage trade with China.

I urge support for the resolution.

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

Mr. ROHRABACHER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. SCARBOROUGH].

Mr. SCARBOROUGH. Mr. Speaker, I rise in strong opposition to extending MFN to China and I rise as somebody who is deeply aware of China's growing importance and the inevitable rise of China in the 21st century. That is why I believe we have to stand firm today.

I, quite frankly, am getting a little tired of people telling us that the only way that we can change China, the only way we can promote American ideas, is to ignore what happens in China. That is what we heard from a Republican administration in 1989 after Tiananmen Square. Then we had a Democrat run for President and attack the butchers of Beijing. Then he got elected and kept ignoring what went on.

Mr. Speaker, we are told to ignore Tiananmen. We are told to ignore technological piracy. We are told to ignore the murderous orphanages. We are told to ignore infanticide and 9-month abortions. We are told to ignore nuclear proliferation and nuclear trade secrets to Pakistan.

And I just heard somebody stand up here today, telling us that we have to cooperate with China because they can actually help in nuclear matters. How can we depend on a country that is trading nuclear technology and secrets to Third World countries to help us on the issue of nuclear proliferation? But it seems like we gear that every year.

People are willing to turn, throwing their logic out the window, simply to continue kowtowing to a murderous regime, and they continue to fool themselves into believing that we can deal with a country that has murdered 60 million of their own people in the past 50 years. These people do not think like us. These people do not share our values. The only thing they understand is that the United States continues to kowtow and the United States continues to be fearful to say no to China. If we do not say no to China today, then we send another message that we continue to kowtow to them in the future. Say no to extending MFN.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE] who has spent so much productive and worthwhile effort into trade issues.

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

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

Earlier the gentlewoman from California was talking about the trade deficit with China, and we will probably see a chart up here on the floor very shortly on this. There it is, sure enough that green line. Members can see the trade deficit going up. What Members will not see on that other chart is the trade deficit with the Asian tigers; that is, Taiwan, Singapore, Hong Kong, and South Korea. They won't see it because that deficit is going down. It is pretty clear there is a correlation. We have import substitution. As these countries have gotten richer, they are buying more of our expensive goods, China is producing more of the textiles and footwear and toys. As China grows richer, they too will buy more of our goods. It is important to keep that in mind.

Mr. Speaker, it is clear that our relationship with China is one that is extraordinarily important, and as everybody here acknowledges, extraordinarily complex. There is no doubt we have a lot of contentious issues that surround our relationships. We just heard about some of them: Nuclear proliferation, intellectual property, political and economic freedom for the Chinese people.

Mr. Speaker, no one minimizes the difficulties of those issues, but I believe today we can take a great step, perhaps the first real step in years, toward resolving some of these problems. This resolution for the first time acknowledges that most-favored-nation status for China cannot bear the entire burden of the bilateral relationship between the United States and China, and that is an important milestone.

The destructive debates that we have had here, that we pursue every year over MFN, keep this Congress from addressing the serious challenges that we do face in our relations with China. MFN simply is not the right tool to do that. Complex problems are not solved through this kind of a solution. We have to continue to work for open markets for American exporters. We have to continue to push for greater cooperation on nuclear proliferation. We have to seek Chinese accession in the world trade organization to ensure that they trade fairly and in accordance with international rules, and we have to continue to fight for the right of the Chinese people to live in freedom and democracy, using every avenue and every institution that is available to us to achieve those goals.

But, Mr. Speaker, cutting off MFN is not going to accomplish any one of those worthwhile goals. Denying MFN drives China into the camp of every rogue nation in the world, Iraq, Iran, Libya, opening the door to even more Chinese weapons sales to these countries, eliminating what leverage we may have on these issues.

Cutting off MFN will not solve our bilateral trade problems. It will only shift the source of our Chinese imports from China to other low-cost producers such as India and Pakistan. Meanwhile, much and perhaps all of our $13 billion in exports would be lost through retaliation. This would result in the loss of many high-paying good jobs that are good for American workers. We would find ourselves locked out of the world's fastest-growing market in the world, abdicating our economic leadership in Asia to Europe and Japan.

Nor would cutting off MFN help the Chinese people. As a time when we need to encourage more trade, more economic freedom, more prosperity, we would mire the Chinese people in poverty and economic chaos. Unemployment, hunger, and hopelessness is not a formula for improved human rights, only for increased repression.

One only need to look at the political repressiveness of the Mao Zedong era—a period in history where countless millions of Chinese were killed—to know this is true.

Today I call for the beginning of a new era in United States-Chinese relations. An era where we can move beyond this destructive yearly debate over MFN for China. The choice today is simple—do we retreat from the challenges facing United States-Chinese relations and begin an era of hostility and isolationism by denying MFN—or do we being an era of real engagement, working at every level, bilaterally and multilaterally, to solve the complex and divisive problems we face.

I urge you today to make the right choice.

I urge you to vote ''no'' on the resolution of disapproval.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. KAPTUR].

□ 1345

Ms. KAPTUR. Mr. Speaker, a vote not to disapprove China's favored trade status is a vote to rubber stamp a political relationship devoid of Democratic principles, an economic relationship whose benefits will be siphoned off by the powerful few at the expense of the many, and a military relationship that monetizes the growing trade deficit dollars into new Chinese weaponry.

That vote will give China a 2-percent tariff rate in our market while they maintain a 30- to 40-percent tariff rate against our goods, which is the reason for this vast and growing trade deficit we have experienced over the last decade and a half.

There are hundreds of thousands and millions of jobs affected in this country. Just take a look at Nike closing down all U.S. production. The gentlewoman from California, Congresswoman PELOSI, talked about Boeing and how it had moved its production out of Wichita into China. A vote not to disapprove will signify a triumph of commercialism over balanced foreign policy and a triumph of fascism over liberty.

Our terms of engagement with China, which gives them the right to send a third of their goods into our market, should be conditioned on greater freedom. Move toward freedom, not oppression.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. RANGEL].

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

Mr. RANGEL. Mr. Speaker, I rise in support of treating China like any other trading nation. They call it most favorable treatment, but actually what we are talking about is free trade and trying to see how we can best improve the economy of the United States and create more jobs here.

That does not mean that I have any less sensitivity to human rights. How more sensitive can I be? These Chinese, these Communist bums, shot me over there in 1950. I do not like them worth a darn. I do not like any Communists. I do not like the North Koreans, I do not like the North Vietnamese, but I do not know whether the United States of America has to have a litmus test with who we trade with.

The Cubans, my God, I know they are vicious people, Communists, and violate human rights, and we look like the village clowns at the United Nations. Every one of our partners that trade with us are now suing us because they say we cannot have secondary boycotts against them. We say Iraq, Libya, Iran, you name it, we get sick and tired, by our standards of disliking someone, so we give sanctions.

Hey, I like sanctions, if we are going to win. I like feeling powerful. The United States of America, we have a code. If countries do not live up to our code, they do not have a democracy, then we do not play the game with them. But somehow we have different standards for different countries. Is there any difference between the Communists in China and the Communists in Cuba or the Communists in North Korea? I do not like any of the Communists, so why are we picking them out?

And we talk about human rights. Do my colleagues know that some of these scoundrels believe that we violate human rights here? Do my colleagues know some of them have checked out the jail population and found out we have a million and a half poor folks in jail, most of whom did not commit any crimes of violence? Do my colleagues know that some of these scoundrels are critical of this great country?

At our worst we are better than all the rest of them, and yet they are talking about the number of minorities that all of a sudden find themselves not even being able to be elected to the Congress. Do my colleagues know that? For 200 years they found out how to gerrymander and cut the blacks. Out comes a law and they say do not do that any more. And now the Supreme Court has said do not take color into consideration. We are now colorblind.

I just think they do not understand our American way of life, and I darn

sure do not understand them. What I do understand is this: That there are millions of people in jail, more millions of people without jobs, without education, and without hope, and I do not have any hope that this Congress is going to support tax money for education. Oh, we believe in it, we just do not want to pay for it.

I do not believe that this great Nation can keep up with international competition unless we make that investment. If we are not prepared to do it, then I am not prepared to allow local school boards to determine the level of education and job training that we have in this country. The only way to get this money is to expand our economy, the only market is outside of our borders, and this is the only way to go.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New Jersey [Mr. SMITH] is recognized for 3 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friends for yielding me this time.

Mr. Speaker, when the People's Liberation Army massacred, maimed and incarcerated thousands of peaceful prodemocracy activists in June 1989, the well intentioned but wishful thinking that, somehow, the People's Republic of China was turning the page on repression was shattered.

The brutal crackdown on the reformers was not the end, however, it was the beginning of a new, systematic campaign of terror and cruelty that continues still today.

Each year since Tiananmen Square—the savagery has gotten worse and the roster of victims grows by the millions.

It is my deeply held conviction that in 1989 and by the early 1990's, the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships in control in Eastern and Central Europe—and even the Soviet Union—had let matters get out of hand. And Beijing took careful note as, one by one, tyrants like Nicolae Ceausescu of Romania, Erich Honecker of East Germany, and Wojciech Jeruzelski of Poland were ousted.

Everything Beijing has done since Tiananmen Square points to a new bottom line that we ignore and trivialize at our own peril—and that is democracy, freedom, and respect for human rights won't happen in the PRC any time soon. The dictatorship's not going to cede power to the masses, especially when we fail to employ the considerable leverage at our disposal. We are empowering the hardliners. We are standing with the oppressors, not the oppressed.

Accordingly, stepped up use of torture, beatings, show trials of well known dissidents, increased reliance on the hideous and pervasive practice of forced abortion and coercive sterilization and new, draconian policies to eradicate religious belief, especially Christianity, have been imposed. Genocide is the order of the day in Tibet. Repression on a massive scale is on the march in the PRC.

Some have argued on this floor that conditions have improved, citing the excesses of the cultural revolution as the backdrop to measure improvement. But that's a false test. The depths of depravity during that period has few parallels in history—and the Chinese leaders knew themselves that such extreme treatment of its people could not be sustained.

But the real test is the post-Tiananmen Square reality—and the jury is in—China has failed miserably in every category of human rights performance since 1989.

Mr. Speaker, I chair the International Operations and Human Rights Subcommittee. Since the 104th Congress began my subcommittee has held 9 hearings on human rights in China and an additional half dozen hearings, like a hearing on worldwide persecution of Christians, where China's deplorable record has received significant attention. I have led or co-led 3 human rights delegations to the PRC. On one trip, Representative FRANK WOLF of Virginia and I actually got inside the laogai prison camp and witnessed products being manufactured for export by persecuted human rights activists.

Mr. WOLF and I met with Le Peng—who responded to our concerns with disbelief, contempt, and arrogance.

Mr. Speaker, each representative of the most prominent human rights organizations made it quite clear—things have gotten worse in China and current United States policy has not made a difference for the better and has sent the wrong message to the Chinese Government and other nations in the region and around the world.

Last week at my subcommittee's hearing Dr. William Schulz, the executive director of Amnesty International testified that ''the human rights condition in China has worsened since the delinking of human rights and MFN. Despite rapid economic changes in recent years in China, which has led to increased freedom and some relaxation of social controls, there has been no fundamental change in the government's human rights practices. Dissent in any form continues to be repressed.''

While Amnesty International takes no position on MFN, it is significant to note, Mr. Speaker, that Dr. Schulz reported that ''the delinking has given a clear signal to the Chinese government that trade is more important than human rights considerations'' and that ''the message is clear, good trade relations in the midst of human rights violations is acceptable to the U.S.''

Nina Shea, the director of the Puebla Program on Religious Freedom at Freedom House testified that ''China ranks at the bottom of the 1996 Freedom House Freedom in the World survey among the '18 Worst Rated Countries' for political and civil liberties.''

And if I might be allowed one more example of what my subcommittee heard, Mr. Speaker, Mike Jendrzejczyk, the Washington Director of Human Rights Watch/Asia testified that—

> In recent months, Chinese authorities have ordered increased surveillance of so-called ''counter-revolutionaries'' and ''splittists'' (Tibetans, Uighurs and other national groups) and given even harsher penalties for those judged guilty of violating its draconian security laws. China has silenced most, if not all, of the important dissent communities including political and religious dissent, labor activists, and national minority populations. Their members have been exiled, put under house arrest, ''disappeared,'' assigned to administrative detention, or subjected to economic sanctions and systematic discrimination in schooling and employment. Dissidents also continue to suffer criminal charges, long prison sentences, beatings and torture.

Mr. Speaker, I've met with Wei Jingsheng in Beijing, before he was thrown back into jail, and was deeply impressed with his goodness, candor, and lack of malice towards his oppressors. It is unconscionable that this good and decent democracy leader is treated like an unwanted animal by the dictatorship in Beijing. For Wei—for countless others who have been brutalized by a cruel and uncaring dictatorship. Vote to take MFN away from this barbaric regime.

Each year, Mr. Speaker, as the time approaches for Congress and the President to review the question of most-favored-nation status for the Government of the People's Republic of China, Members of Congress are approached by representatives of business interests to support MFN. Their argument is that constructive engagement is the best long-term strategy for promoting human rights in China.

The biggest problem with this strategy is that it has not yet succeeded in the 20 years our Government has been trying it. Our Government has been embroiled in a 25 year one-way love affair with the Communist regime in Beijing. There is no question that increased contact with the West has changed China's economic system—but there is little or no evidence that it has increased the regime's respect for fundamental human rights.

I have made an honest effort to try to understand why this is—if, as we Americans believe, human rights are universal and indivisible, then perhaps the extension of economic rights should lead to inexorable pressure for free speech, democracy, freedom of religion, and even the right to bring children into the world. And yet it has not worked. One possible reason is that although there has been economic progress in China, this has not resulted in true economic freedom. In order to stay in business, foreign firms and individual Chinese merchants alike must

have government officials as their protectors and silent or not-so-silent partners. Yes, there is money to be made in China—and every year at MFN time, we in Congress get the distinct impression that some of the people who lobby us are making money hand over fist—but this is not at all the same as having a free economic system. Large corporations made untold millions of dollars in Nazi Germany. Dr. Armand Hammer made hundreds of millions dealing with the Soviet Government under Stalin. Yet no one seriously argues that these economic opportunities led to freedom or democracy. Why should China be different?

For 20 years we coddled the Communist Chinese dictators, hoping they would trade Communism for freedom and democracy. Instead, it appears that they have traded Communism for fascism. And so there is no freedom, no democracy, and for millions of human beings trapped in China, no hope.

Another reason increased business contacts have not led to political and religious freedom is that most of our business people—the very people on whom the strategy of comprehensive engagement relies to be the shock troops of freedom—do not even mention freedom when they talk to their Chinese hosts. After the annual vote on MFN, the human rights concerns expressed by pro-MFN business interests often recede into the background for another 11 months.

During those 11 months, Mr. Speaker, the United States trade deficit with China continues to grow. In 10 years China rose from being our 70th largest deficit trading partner to our second largest. The deficit has grown from $10 million to over $33 billion. One-third of all of China's exports come to the United States and are sold in our markets. If China did not have the United States as a trading partner they would not have a market for one-third of their goods. China needs us, Mr. Speaker, we do not need China.

Our State Department's own Country Reports on Human Rights Conditions for 1995 make it clear that China's human rights performance has continued to deteriorate since the delinking of MFN from human rights in 1994. In each area of concern—the detention of political prisoners, the extensive use of forced labor, the continued repression in Tibet and suppression of the Tibetan culture, and coercive population practices—there has been regression rather than improvement. And every year we find out about new outrages—most recently the ''dying rooms'' in which an agency of the Beijing Government deliberately left unwanted children to die of starvation and disease.

Since February 1994, just 1 month into the Clinton administration the United States has been forcibly repatriating people who have managed to escape from China. Some, although not all, of these people claim to have escaped in order to avoid forced abortion or forced sterilization. Others are persecuted Christians or Buddhists, or people who do not wish to live without freedom and democracy. Still others just want a better life. For over 3 years now, over 100 passengers from the refugee ship *Golden Venture* have been imprisoned by the U.S. Government. Their only crime was escaping from Communist China. In the last few months, several dozen of the *Golden Venture* passengers have been deported to China—some by force, some voluntarily because they were worn down by years in detention.

A few days ago I received an affidavit signed by Pin Lin, a *Golden Venture* passenger who through the intervention of the Holy See has been given refuge in Venezuela. He has received information from families of some of the men who have returned. The Chinese Government had promised there would be no retaliation. Contrary to these promises, the men who returned were arrested and imprisoned upon their return to China. Men who had been mentioned in U.S. newspapers or who had cooperated with the American press were beaten very severely as an example to others. The men and women remaining in prison—the men in York, PA, and the women in Bakersfield, CA are terrified by these reports. And yet they are still detained, and they are still scheduled for deportation to China.

I ask the Clinton administration, please, let these people go. They have suffered enough. And I hope this House will send a strong message today to the totalitarian dictatorship in Beijing, to the enslaved people of China and Tibet, and to the whole world, that the time has come to say enough is enough. It is clear that most-favored-nation status and other trade concessions have not succeeded in securing for the people of China their fundamental and God-given human rights. Now we must take the course of identifying the Beijing regime for the rogue regime that it is, a government with whom decent people should have nothing to do.

Mr. Speaker, the time has come for us to send a clear and uncompromising message to China and to the rest of the world: Human rights are important, human lives are more valuable than trade, the people of the United States do care more about the people of China than we do about profit. Now is the time to disapprove MFN.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would advise Members that the gentleman from Texas [Mr. ARCHER] has 20 minutes remaining; the gentleman from Florida [Mr. GIBBONS] has 22 minutes remaining; the gentleman from Kentucky [Mr. BUNNING] has 7½ minutes remaining; the gentleman from California [Mr. ROHRABACHER] has 11 minutes remaining; and the gentleman from California [Mr. STARK] has 16 minutes remaining.

The gentleman from Texas [Mr. ARCHER] has the right to close, immediately preceded by the gentleman from California [Mr. STARK].

Mr. ARCHER. Mr. Speaker, I yield 30 seconds to the gentleman from Nebraska [Mr. BEREUTER].

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

Mr. BEREUTER. Mr. Speaker, I rise in strong support of the continuation of normal tariff status for the People's Republic of China and oppose the Rohrabacher resolution.

We have a whole range of sanctions that are used now for proliferation, human rights abuse, and a whole range of trade practices that are inappropriate. Many of those sanctions are now in place with respect to the PRC. This denial of so-called MFN is not the place to have our impact.

We should remember that China is a 4,000-year-old culture. They have no tradition of democracy. They have real problems on which we have had a full recitation of here today, but we need to approve MFN. It is in our vital national interest to do so, both in the short and long term.

Mr. Speaker, this Member rises to unequivocally support extending normal tariff status to the People's Republic of China. Furthermore, this Member proposes abolishing this annual process because the imposition of Smoot-Hawley type tariffs on China is contrary to our national interest and because this futile annual debate undermines our leverage to deal constructively with that country.

Justifiably disturbed by reports of China's weapons proliferation policies, it's military aggressiveness, human rights abuses, and unfair trade practices, many Members of Congress argue for sending China a signal by voting against so-called MFN status. However, the Chinese Government knows our own national interest precludes such a draconian step and both Republican and Democrat administrations have long recognized that abolishing China's normal tariff status will only prohibit us from exerting a positive influence on that country.

Therefore, we have chosen to rely on targeted sanctions against China. For example, we currently prohibit United States companies from selling defense articles or not-so-fast computers to the Chinese. We scrutinize China's satellite purchases and we have suspended military exchanges. We oppose multilateral development bank lending to China except loans for humanitarian reasons and we prohibit some indirect United States aid. We impose special procedures on the United States Export-Import Bank and we deny United States firms all other export financing. Recently, we banned the importation of munitions and ammunition from China, and we have long prohibited United States contributions to the United Nations Population Fund [UNFPA] from being used there.

While some claim that the United States has not been tough enough on China, this partial laundry list of United States sanctions suggests the opposite is true. Perhaps we have erratically imposed too many unenforceable sanctions on China. Many of my colleagues probably need to recognize that we do not have sufficient influence to alter China's behavior by acting unilaterally. Presumably, for example, European nations care about human rights abuses in China, and presumably China's neighbors are seriously concerned about

China's assertive territorial claims. However, it is no secret to United States companies that our allies businesses gleefully steal American business when the United States engages in a principled disagreement with China over, for example, intellectual property rights.

Mr. Speaker, today's procedure reinforces the view that normal tariff status for China is clearly in our national interest and that maintaining it enables us to positively influence China. However, this process also permits consideration of a separate resolution which requires us to further evaluate our overall foreign policy relationship with China.

During this period, we should examine why no other nation in the world engages in a similar annual trade debate over China. Let us discuss why we deny United States companies Government assistance in one of the world's fastest growing markets. Most important, let us examine why President Clinton and Secretary Christopher have abdicated their responsibility to routinely engage the Chinese in direct meetings to seek constructive ways to improve our mutual understanding and our overall relationship.

Perhaps we should also examine the ridiculous assertion that nothing has changed in China. We should listen to the Chinese jurists, scholars, and students who are optimistic about the legal reforms and village elections budding throughout China and determine how we can assist them in their efforts.

Mr. Speaker, despite very real limitations on our influence and our inept foreign policy, no country in the world has more influence on the course of events in the People's Republic of China than the United States. Already, the lure of our huge market has caused that country to pursue dramatic economic reform in a miniscule fraction of that country's 4,000-year history. However, we cannot expect to end China's unfair trade practices without European cooperation and the support of the Pacific Rim nations. Today's vote for normal tariff status for China is a tacit acknowledgment of our enormously positive influence on that country. It is also an acknowledgment that we cannot, alone, maintain that positive influence.

Mr. Speaker, in listening to the heated rhetoric during debate on the rule for considering the resolution which would reject normal tariff status for the People's Republic of China—all but eight countries in the world have such status—I was appalled by at least two particular remarks. First, one of our colleagues asked at what level is our threshold of conscience regarding the human rights abuses and various outrages in the PRC. This kind of sanctimonious comment about those, like this Member, who believe it is unwise, counterproductive, and contrary to our vital national interest to end normal tariff status for the PRC.

Such remarks and the tone and substance of similar remarks by many other colleagues, self-proclaimed paragons of virtue, violate the dignity and proper civility of the House. This Member and a very large share of Members of the House disagree with those who would deny normal tariff status to the PRC. Many of us believe that a decision to deny that trade status to the PRC does great harm to the short- and long-term vital national interest of the United States of America, but we do not ascribe improper motives or objectives to those with whom we disagree. We do not ask them to check their threshold of conscience when it comes to the impact of their actions on our country.

Second, I was appalled and saddened to hear one of our very esteemed colleagues—perhaps only because the heat of debate—refer to China as our enemy. China is not our enemy but our vacillating, inept foreign policy actions and the continued ill-advised rhetoric and actions of the congress—especially in the distorted and counter-productive annual debate on extending so-called MFN—can push China to unnecessarily become an enemy or adversary. That would undoubtedly prove to be one of the truly momentous tragedies in American and world history. The financial consequences of a cold war with China are staggering and the costs of an eventual overt conflict with the PRC are unimaginably tragic for the two countries and mankind.

Mr. Speaker, it must be emphasized that what Members do here today on this issue, what we have done in the past, and what we do in the future, taken altogether, does have very important consequences. Our actions over time, in combination with the inept handling of Sino-American relations, actually can move our two countries to an adversarial status with all the consequences which follow. Members should be reminded that they are not free to cast irresponsible votes for purely political reasons or to appease interest groups without recognizing the damage they do and the consequences that follow.

Mr. Speaker, while I speak as chairman of the Asia and the Pacific Subcommittee of the House International Relations Committee, I do not claim to be an expert on China. Indeed, it might be said that there are no experts on China—only degrees of ignorance. Yet I would hope that my colleagues would make a sincere and urgent effort to learn more about the PRC, the Chinese people, and their culture. They would better understand how this nation—with a 4,000-year history in which its people understandably take great pride, with a huge percentage of the world's people, with no democratic traditions that resemble our own—will not easily change its ways. They understandably see our own erratic, grossly ineffective foreign policy toward China as consisting primarily as a constant, ad-hoc badgering on an issue-by-issue basis and believe it to be a heavy-handed effort to impose our practices, ideals, and cultural standards. Many of our actions and emphases in our foreign policy and in the Congress are also seen as direct threats to their sovereignty.

Mr. Speaker, this Member's first visit to China was, I believe, in 1988 or thereabouts. At that time I was struck by the warmth of the Chinese toward Americans and the United States. Some of the older citizens were apt to comment about America's help to the Chinese against our common enemy in World War II. It seemed that everyone wanted to learn English because of their friendship for America and their expectations that we were going to see a closer, friendlier, Sino-American relationship, which went beyond business opportunities.

In August 1995, this Member returned to China and noticed that the good will toward America among the average Chinese citizen had deteriorated markedly if in fact it had not totally disappeared. Now they ask, ''Why do Americans hate us so much?'' Some of my esteemed House colleagues believe the Congress was instrumental in blocking the PRC from having the Olympics in the year 2000 and they are proud of that fact, but at least in Beijing each man or woman on the street really felt that loss of the Olympics and they emphatically blame America for it. Undoubtedly, too the government of the PRC is manipulating the views and emotions of their citizens with anti-American media campaigns and whatever is the latest controversy in the relations between our two governments.

Yet, if you spend time among the average Chinese citizens in the coastal cities—in crowded department stores, noodle lunch shops, or other places, as did this Member, one couldn't help but be struck by the changes in the population. A huge and growing consumer class enjoying a whole range of personal freedoms has been created. The pace of physical development and change in the lifestyles of a large share of China's citizens is literally unmatched in the history of the world. Economic prosperity and a greater exposure to Western ways is inevitably liberalizing despite repressive governmental policies. Chinese leaders probably would not attempt another Tiananmen Square confrontation today and it certainly wouldn't be possible in 5 or 10 years unless America and the West turn its back on China and pushes it to become a more suspicious, aggressive, and isolated regime. Chinese leaders, this Member is convinced, know they have their hands full in pushing internal economic and physical development sufficiently fast to keep up with the impatient massive population who have had the appetites whetted by the economic benefits and personal freedom that have accompanied their amazing economic progress. America and the developed democracies, while watchfully protecting our own interests, warily observing Chinese military modernization efforts, and collectively counteracting any external Chinese aggression that might appear, must also avoid giving the kind of undue provocation to the People's Liberation Army which would further enhance modernization efforts or its influence on top Chinese policymakers.

Finally, this Member cannot help but observe that the demands for reform, the criticism of the PRC, and the overt hostility toward it by so many in this Congress and in the American public has intensified dramatically since the collapse of the Soviet Union as a superpower adversary to the United States. Unfortunately, I don't think this is coincidental. Intentionally or subconsciously, I believe that some people, some politicians, and some special interests find it convenient to have a national enemy. Shortly after the disintegration of the U.S.S.R., the Japanese economic and trade practices caused that nation to become the focus of many Americans' acute anxieties, fanned by the latest leading polling or opinion articles. Now the focus is squarely on the People's Republic of China. There is no reason this Congress, the national media, or anyone else should push or elevate China into being our next enemy. Too many million people's lives are placed at risk and too much of our public and private resources will be needlessly spent.

Mr. Speaker, I strongly urge my colleagues to reject the Rohrabacher resolution and support the continuation of normal tariff status for the People's Republic of China. It is in both the short- and long-term vital national interest of the United States that we continue our engagement with China through this and other means.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from

Pennsylvania [Mr. ENGLISH], a respected freshman on the Committee on Ways and Means.

(Mr. ENGLISH of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise in strong opposition to this resolution of disapproval of normal trade relations for China. In my view, we need to renew China's MFN status as part of a long-term commitment to the United States-China relationship.

China is the world's largest and fastest growing market, experiencing exponential growth as its rulers slowly reverse generations of statist economic policies.

If we fail to renew MFN for China, it will uncouple our economy from this fast growing trading partner, it will place U.S. companies at a competitive disadvantage with other international firms, and it will cost American workers jobs.

Mr. Speaker, I do not condone China's human rights abuses. I do not condone China's military adventurism and aggressive behavior in its region or its poor record on nuclear proliferation. I do not condone China's failure to enforce intellectual property rights or its unfair trading practices. But, Mr. Speaker, the advocates of this resolution have made no credible argument that ending normal trade relations with China will lead to reforms in any of these areas. Instead, trade with China by America is an essential catalyst to move China toward greater economic freedom and a liberalization of their economy and their institutions.

Mr. Speaker, I believe the best way for America to influence Chinese society is to pursue a policy of constructive and comprehensive engagement.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, every year China promises to open its market to American products. Every year Congress grants most-favored-nation status to China, yet nothing seems to change, and we are about to do it again.

MFN is a job killer for America. MFN is a job killer for America because China refuses to open its markets. MFN is a job killer for America because China uses slave labor and prison labor camps. MFN is a job killer for America because China uses child labor to make things, like this Mattel Barbie doll and this Spalding softball.

Twelve-year-old Tibetan boys and girls in Chinese slave labor camps making these softballs for 12-year-old American boys and girls to use on America's playgrounds, Chinese children making these Barbie dolls in sweatshops so American children can play with them in their bedrooms.

When will this stop? When will we in this Congress say enough is enough? Kill MFN.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I thank my colleague from Florida for yielding me this time.

Mr. Speaker, I rise in opposition to this resolution of disapproval, in spite of the fact that I have some major concerns about our relationship with China.

The issue that concerns me and a large segment of my constituency, which we may not hear very much about today, is China's treatment of the textile and apparel industry. There are over 1.5 million Americans employed in the textile and apparel industry in the United States.

Fifty thousand of those workers are my constituents. Their struggle to compete in a highly competitive global market is being made much more difficult by China as it violates its agreements with the United States and illegally ships textiles and apparel through other countries in order to exceed their agreed-upon quotas. This is a $4 billion problem for this industry. It costs Americans thousands of jobs, and it must stop.

I do not believe, however, that treating China like that handful of rogue countries that do not now receive MFN treatment is the answer to this problem and other problems we have with China.

□ 1400

China has the world's fastest growing economy and is expected to be the world's largest economy by sometime early in the next century. This a fact that cannot be overlooked. It is an important fact that both our citizens and China's citizens must realize. Economic engagement with China benefits America because a prosperous and dynamic China will be a better customer for American products generating thousands and thousands of American high-wage jobs.

Economic engagement with China also benefits China because the rise of trade and economic linkage serves as an important force for continued economic and political liberalization for expansion of human rights and encouragement of global peace. I believe revoking MFN serves only to isolate China, not to advance any other worthy goals that we have heard about today.

Mr. Speaker, I urge my colleagues to vote ''no'' on this resolution of disapproval.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GILMAN].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York [Mr. GILMAN] is recognized for 3 minutes.

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

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 182, legislation revoking MFN to China. I commend my good friend, the gentleman from California [Mr. ROHRABACHER], for offering it, along with a number of our colleagues.

Recently the PRC spokesman said that the Congress, and I quote: hurt the Chinese people's feelings, and we further quote, aggravated tensions over the Taiwan Straits, close quote, by passing a resolution stating that the United States should come to the defense of Taiwan. He also stated that what we did at that time was detestable.

It is difficult to imagine what might be detestable to a Communist Chinese Government official. Just a few weeks ago officials of a Communist Chinese Government military industry tried to sell silencers, stinger missiles and some 2000 machine guns to street gangs in Los Angeles. The government spokesman denied it in the same manner that they denied previously the sale of cruise missiles and poison gas factories to Iran, nuclear weapons technology to Pakistan and the severe repression of religion throughout China and occupied Tibet.

Beijing's military provocations off the coast of Taiwan were not the result of our Nation allowing President Li to visit Cornell. The military threats were the result of the administration's failure to take action when Beijing violated MOU's and agreement regarding weapons proliferation, human rights and trade. Beijing knows a paper tiger when it sees one.

If China violates an agreement, it should be held accountable. The administration must stop sweeping aside Beijing's violations of agreements on these matters and dispensing enforcement as an attempt to isolate or contain China. This is not any constructive approach to a serious problem. Ignoring their serious infraction is simply appeasement. Appeasement has led to our serious trade deficit with China. In 1985 it was $10 million. Today it is up to $34 billion. Appeasement has led to our business people being bullied into sharing technology with Beijing in order to receive their contracts. Appeasement has led to Iran obtaining cruise missiles that threaten our troops and Israel. And appeasement has led to the potential sale of stinger missiles to street gangs.

There are even fewer words to describe administration officials who make up one excuse after another for Beijing's behavior and try to shift the blame whenever another outrageous deed is done.

The bare minimum that the administration policy geniuses can do is to send a strong signal that they care about American businesses, about American jobs and about American security, and it is for them to stop claiming it would isolate or contain China by asking them to live up to their agreements with us. Accordingly, I

urge my colleagues to revoke MFN and vote for the resolution.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. PORTMAN].

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

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

I have listened to the concerns expressed this afternoon and I share them. I have heard about human rights violations, heard about the inability of the Chinese to properly be concerned about Hong Kong's future and Taiwan, the access to the Chinese market. We have heard a lot about nuclear proliferation. We just heard about arms sales. So I have just a very practical question; how will revoking MFN address any of these concerns? How will it help?

I think that a disengaged China is less likely to care about basic human rights, less likely to care about Hong Kong's economic liberties, less likely to care about living within accepted international norms. I think we only have to look back to the Cultural Revolution to see that. Instead we should be engaging.

Among other things, they think we should be doing all we can, using what leverage and influence we have, to get China into the World Trade Organization, the successor organization to GATT. By that we force China to live by the international trading rules, to ensure that we have access to the Chinese market and improve the very conditions we all implore. That is the approach we ought to be taking as a Government, not revoking MFN status.

I think voting against MFN may make people feel better, but that is not a good enough reason. It is not the right tool to use. I urge Members not to follow this course of action and instead to do the other things we need to do by engaging China to advance the interests we share.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, the People's Republic of China routinely violates international trade laws, arms sales restrictions, human rights conventions. China continues to illegally export goods made by prison and child labor into the United States. China's domestic markets are effectively closed to our products, even as we open our doors wide for Chinese-made goods, many of them produced by United States companies that have moved jobs into the People's Republic. China is also one of the world's leading pirates of copyrighted software.

Our trade deficit with China swelled from $10 billion in 1990 to $33 billion last year, projected to be $41 billion this year. That is more than half a million American jobs lost in their unfair trade practices. Some people call this policy constructive engagement. I call it appeasement. The aging dictators in Beijing know that they can count on our Government's spineless response to their provocations. They understand only too well how effectively their big corporate allies can influence our elected representatives.

Our trade policy ought to work for American workers. Instead, the game has been rigged to benefit a new world order in which corporate investments and family-wage jobs flow downhill toward the world's lowest wages, worst working conditions and least restrictive environmental standards.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BERMAN].

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

Mr. BERMAN. Mr. Speaker, I rise reluctantly to support continuation of most-favored-nation treatment for the People's Republic of China. We cannot afford to ignore China's emergence as a global power, even though clearly it has not yet learned how to act like one. I am appalled by the human rights conditions in China, Chinese willingness to export weapons of mass destruction and their flouting of international trade agreements. But somewhere, someone in this debate has to explain for me the link between achieving those goals and the revocation of MFN.

That is not a policy; engagement is not a policy. Containment is not the alternative. We need a strategy that targets specific objectives, sets priorities, imposes sanctions when those objections are not complied with and those agreements are not met and promotes human rights.

I urge continuation of MFN for China not because I believe in what China is now doing, not what they are doing is right or because China is changing in the right way but because I believe we cannot end MFN and then expect to change China. I urge a no vote on this resolution.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

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

Mr. TRAFICANT. Mr. Speaker, let us talk about a little bit today on what the Constitution says, Congress shall regulate commerce with foreign nations. The Constitution does not say that Congress shall moderate the behavior of our trading partners.

The facts are clear. China steals American technology. China dumps their products in our markets. China denies access to American products. In addition, China uses false made-in-America labels on their cheap products deceiving American consumers.

To boot, China usually opposes Uncle Sam at the United Nations. China sells nuclear technology to our enemies. Is it any wonder China enjoys a $40 billion trade surplus? All this talk about jobs, we are a net 700,000 job loser.

The American people have done all they could. They elected a Democrat President. There has been no change. They elected a Republican majority, there has been no change. I commend the Republicans who have taken this effort.

The bottom line is, the American people are apathetic, they do not see much difference between either party, and this is a defining issue. It is completely evident to me, very clear, the Congress of the United States will not do anything about trade until there are two Japanese cars in every garage and a Chinese missile pointed at every American city.

How many more welders do we retrain? How many more minimum wage jobs do we create?

I might understand this program if someone finally confessed and told me Jack Kevorkian was running our trade program. We are losers. Now, for all of the workers in Ohio that write to me and write to other Members, I want to make the following recommendation today: No. 1, I want you to invade West Virginia; No. 2, I want you to threaten Columbus and Harrisburg. And maybe then the Congress of the United States will take a look at your plight.

But let me say one last thing, what both of the Democrat and Republican Parties are doing with trade is a defining issue of our times. We have no economic program. We are a bunch of losers. I predict there will be a major third political party in our country. So help me God, I think the country needs it desperately.

I want to thank the gentleman from Kentucky [Mr. BUNNING] for the time. I want to thank the gentleman from California [Mr. ROHRABACHER] for his effort. I understand the positions of everyone on the other side of the line; but, while you are involved with all this free trade, we are getting our assets ripped off left and right.

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

(Mr. ROHRABACHER asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. ROHRABACHER. Mr. Speaker, in May 1994, President Clinton de-linked human rights considerations from our trading relationship with China. He told us then that an improving economy in China would be accompanied by an improvement in Beijing's respect for human rights and would make China a more responsible member of the family of nations.

Today, China's human rights record is worse, and its growing economy has served to underwrite an enormous military expansion and to enrich the Chinese Communist party elite.

President Clinton was wrong to de-link our China trade policy from human rights just as George Bush was wrong in not cutting off MFN after the Tianamen Square massacre. If we had stood up for our principles then, we would likely be re-extending MFN to a freer and less threatening China today.

This vote is not a litmus test on free trade. I believe in free trade among the free people of the world. This is a litmus test about American jobs and human rights. China has 6 to 8 million people in over 100,000 labor camps making products for export. I am a free trader, but slave trade isn't free trade. And how can be expect American workers to compete with Chinese slaves?

We are losing over $30 billion in our bilateral trading relationship with Beijing in spite of billions of dollars in loans to China sponsored by the World Bank and our own Export-Import Bank.

Over $4.3 billion of international loans and guarantees went to China in 1995. $800 million in loans and guarantees came from the U.S. Export-Import Bank. I would like to submit for the RECORD a list of international loans to China.

The justification for these handouts, we are told over and over again, is that China's market is so big and full of such incredible potential that we must close our eyes to the more distressing things in China.

China's American apologists claim that Beijing fears the United States is trying to contain China. That is not true. The Chinese know it isn't true. Everyone knows it isn't true. If anything, we are bending over backwards to engage China. No, the real threat here is that China may threaten Asia—all of Asia. The PRC's actions in the Spratlys, Taiwan Strait, Burma, and the South China Sea, and its accelerating military buildup indicates that China is seeking a hegemonic role for itself in Asia. The implication is that Beijing eventually intends to challenge United States naval power in Asia—that means conflict—almost certainly initiated by Chinese aggression against a democratic neighbor. Mr. Speaker, I would like to submit for the RECORD an analysis which outlines possible Chinese ambitions in Asia, and a report by the Republican Policy Committee on Communist China's invasion threat against Taiwan.

So China is building up its military and threatening its neighbors, and we are financing this threat to Asian stability through our trade relationship. China's apologists shrug off these threats, but they are real.

Just last week China initiated a door-to-door campaign in Tibet to confiscate photographs of the Dali Lama. Reports indicate that those who refuse are jailed, beaten, tortured, even murdered. This isn't some account from the Cultural Revolution or the Great Leap Forward, this is happening now. The Chinese are undertaking a campaign of ethnic cleansing which would make even the most hardened Serb Chetnik wince. Chinese officials routinely inject pregnant Tibetan women to induce birth. They then inject the newborn in the head killing it in front of the mother. The third procedure is to sterilize the women. Another popular practice of the Communist Han Chinese is to simply rape Tibetan women.

Muslims in Sinkiang Province, or East Turkistan, are also being repressed.

Where do the arguments we heard last year to justify MFN for China differ from the ones we hear today? Does it matter that China tried to undermine Taiwan's democratic elections, or broke international agreements on nuclear proliferation, or bilateral agreements on intellectual property rights? Does it matter to those of you who are voting for MFN that China kills its infants in its state-run orphanages?

Where does that enter into a moral person's calculations? Where does torture of Catholic priests or repression of Christianity enter into the picture? In voting to ignore the crimes of the Communist regime we demoralize the democratic forces in China? We are turning our backs on the very people we should be supporting, people who believe in our values, in liberty and freedom and democracy. These are the people we defeat by renewing MFN.

It's Harry Wu, the Panchen Lama, and Wei Jingshen we turn our backs on by renewing MFN. We ignore the threat to attack Los Angeles, the recent nuclear weapons test, and the seizure of 2,000 fully automatic machine guns by U.S. Customs officials which were being smuggled into the United States by People's Liberation Army-owned firms.

But even on purely economic grounds, MFN should be opposed. Giving away American jobs to bolster a rogue regime like this is not beneficial for America. We hear about U.S. sales of commercial jetliners to China—and I come from an area heavily dependent on aerospace—but most of our exports to China are unfinished goods or raw materials.

China's tariffs on United States products entering China's market—especially finished products or high technology consumer goods—are, on average, dramatically higher than our tariffs on Chinese goods—even without MFN, their tariffs on us would still be higher than ours on them. For those with eyes, it is easy to see that any industry that China wants to develop is closed off to American manufactured goods.

Meanwhile, China has launched deliberate efforts to open private front companies in America whose mission is to steal American technology our firms here. Mr. Speaker, I would like to submit for the RECORD an article that appeared in the Denver Post which discusses this issue. I would also like to submit for the RECORD an article which discusses China's other covert intelligence operations, referred to as ''political action work'' by the Chinese. Chairman FLOYD SPENCE is investigating this issue, and I commend him for that oversight effort.

This year's debate has to go beyond the notion of China's large market justifying our accommodation of China's rogue status. Why do we permit U.S. dollars to finance the military buildup of a repressive dictatorship that is likely to be our enemy? Mr. Speaker, I would like to submit for the RECORD two papers, one concerning China's arms exports and the other addresses China's military modernization. Lord, grant that our sons never go to war with this Asian Godzilla, armed to the teeth with high technology weapons bought with the currency of MFN.

Mr. Speaker, I would like to submit for the RECORD a series of articles which appeared in the January 11, 1996, edition of the Far Eastern Economic Review which discuss questions surrounding the Pentagon's effectiveness in controlling sensitive technology being transferred from America to Red China. Mr. Chairman, I would also like to submit for the RECORD a paper by Greg Mastel and Gregory Stanko which discusses China's deliberate policy of stealing America's intellectual property.

The American people should know that MFN is worth about $10—12 billion a year to China. Why should the American people reward China's bad behavior with a $10 billion benefit? Some of our military service chiefs are already talking about uncertainty in Asia as a partial justification for billions dollars in defense spending. Another cost to the American taxpayer of our current China policy.

America's domestic programs shouldn't reward bad behavior, and our international policies should be no different.

A definition of insanity is doing the same thing over and over again and expecting the results to be different. Well, by that definition, another year of MFN for an increasingly belligerent, more heavily armed, more repressive, Communist-run China is insanity times ten on our part.

We are here to do God's work and the work of the American people. Disapprove MFN for China and do both. Vote ''yes'' on my resolution of disapproval.

CHINESE STRATEGY IN ASIA AND THE WORLD

(By Prof. June Teufel Dreyer)

THE CHINESE VIEW OF CHINA'S STRATEGY

The view of its strategy that the People's Republic of China (PRC) presents to the international community was expressed metaphorically to a U.S. military attache in terms of an ant hill. Somewhat isolated, tribal, and mistrustful of others, the colony is mainly focussed on internal concerns. Members are sometimes sent outside in search of needed items, but the colony is basically self-sustaining. Only when others encroach too closely or attempt to kick the ant hill will the millions of ants of the Chinese People's Liberation Army (PLA) come charging out of the colony to bite them.[1]

Chinese commentators have been at pains to deny that their country is strategically ambitious. A deputy director of the Beijing-based Center for Chinese Foreign Policy Studies attempted to quell fears that the PRC's impressive economic growth would lead to an increase in military strength that would pose dangers to the international community. Since, he argued, economic construction remains the government's priority, ''its security strategy is to maintain a favorable environment for the economy and make utmost efforts to prevent military confrontation, whether within or outside its borders.''[2]

Another approach is to define the possibility of an aggressive strategy out of existence. For example, the commandant of the PLA's National Defense University stated that ''China's socialist character ensures that it positively will not strive for hegemony.''[3] The commandant does not address the question of why other socialist countries such as the former Soviet Union had not been inhibited from seeking hegemony. Since, he continues, China has committed itself to economic development as a priority, a peaceful and stable international environment is necessary. Having thus established that ''China's socialist system ensures that China will unswervingly pursue a defensive national defense policy and military strategy,'' the author outlines a broader and less peaceful-sounding agenda: the arms forces exist to * * * consolidate national defense, withstand aggression, protect the ancestral land, protect the peaceful work of its people, defend the country's territorial sovereignty and maritime rights and interests, and safeguard national unity and security * * * we adhere to a self-defense position of, if others do not attack us, we will not attack them; if others do attack, we will certainly attack them. We adhere to a strategy of gaining mastery by letting others strike first.[4]

In support of the contention that its strategy is peace and economic development rather than confrontation, PRC sources point to

the country's very low defense budget. According to statistics presented by former PLA deputy chief of staff Xu Xin, the PRC's defense budget has risen by only 6.2 percent over the past ten years when an average inflation rate of 7.7 percent is factored in. As a proportion of gross national product (GNP), defense expenditures have fallen over the same period: in 1985, the figure was 2.8 percent; in 1994, it was 1.3 percent. Meanwhile, the United States spent 4.3 percent of its GNP. Moreover, China's military expenditure per soldier is less than one-sixtieth of that of Japan's Self Defense Forces and a mere one-seventieth of that of the American military.

Even so, Xu continued, the majority of this modest per-soldier expenditure is used for such purposes as the basic necessities of daily life for its soldiers, plus the costs of administration, routine training, equipment maintenance, and the like. So little remains after these expenditures have been made that it would be impossible to purchase large quantities of equipment. ''It is thus obvious that the claims that China is intending to buy an aircraft carrier and is expanding its military armaments clearly are made by people who have an axe to grind.''[5]

FOREIGN VIEWS OF CHINA'S STRATEGY

Skeptics find these explanations unconvincing. The ant hill metaphor falls short because the ants' understanding of the territorial limits of their colony does not necessarily coincide with that of others, so that someone this particular group of ants may regard as encroaching on their hill or kicking it may believe that the area in which he is walking does not belong to the colony. Moreover, despite the efforts of the Chinese ant elite to moderate the breeding habit of the hill's members, the population of the colony continues to grow. This may lead the elite to extend to the maximum degree possible the space available to the colony. And, finally, there are other ant colonies in the area who are as sensitive to what they consider encroachment on their turf as the Chinese ants.

The contention that the PRC will never attack unless attacked first comes athwart the fact that China attacked Vietnam in February 1979 without having been attacked first. Presumably the author of the article cited above would point out, as China definitely did at the time, that the action was not an attack but rather a ''pre-emptive counterattack.'' A February 1996 article in the PLA's official newspaper *Jiefangjun bao* (Liberation Daily) describing the advantages of the pre-emptive strike in limited, high-technology war suggests that the Chinese leadership continues to value the concept.[6] Beijing's warning that it would attack Taiwan were the island's government to declare itself independent mentions nothing about a prior attack on the mainland by Taiwan. A 1992 law passed by China's National People's Congress gives the PRC the right to enforce by military means its claim to the territorial waters around islands whose ownership is disputed. Again, no prior attack on the PRC need take place. When Filipino president Fidel Ramos arranged a guided tour of Chinese installations on islands claimed by the Philippines, the PRC warned that if it happened again, forcible means would be employed. No one suggested that the Philippines might have to attack China first.

With regard to defense expenditures, skeptics point out that looking at the military budget as a percentage of China's GNP may show a decline, but that it is a slightly declining share of a rapidly growing pie. Moreover, the published defense budget is not the same as the actual defense budget, which is estimated to be anywhere from two to five times the budget that is officially reported. The higher figures typically include costs for the People's Armed Police (PAP), which contains many demobilized regular army members. The PAP has primarily domestic functions, but could be used transnationally if the need arose.

A comprehensive study done by the U.S. General Accounting Office in 1995 which excludes PAP costs concludes that the Chinese defense budget is three times that officially reported.[7] It notes that many expenditures that would be considered under the defense category if it were calculated according to North Atlantic Treaty Organization (NATO) standards appear under other categories in the PRC's budget. Demobilization costs, for example, are the responsibility of the Ministry of Civil Affairs. And expenditures for nuclear research and development costs, which are believed to be very large, are not included in the defense budget. The costs for recent sizable acquisitions of equipment from Russia, including 72 Su–27 fighter planes and at least four Kilo class submarines, came out the State Council's budget rather than that of the PLA.

These expenditures are not small: the first batch of 26 Su–27s alone was purchased for U.S. $1 billion, or almost $40 million per plane. While the purchase price of the submarines has not been made public, Russia has sold other Kilo-class submarines for approximately $240 million apiece, indicating that the bill for four, plus associated expenses, will add up to another $1 billion.[8] The cost of a recent acquisition of Russian radar to equip 100 Chinese-built J–8 II jet fighters was reportedly $500 million.[9] There have also been major purchases from Israel. Researchers at the Stockholm International Peace Research Institute (SIPRI) estimate the price of Israeli arms transfers to China since the early 1980s at $2 to $3 billion.[10] While the actual impact of these purchases on the Chinese economy will be somewhat softened by the fact that a portion of it is in barter rather than hard cash, they nonetheless represent huge expenditures.

These, of course, are just foreign purchases, which represent only a fraction of total spending. The military correspondent of a respected Hong Kong newspaper placed the cost of each domestically-produced M-class missile fired into the Taiwan Strait at $2 million, and estimated the total cost of the PRC's seven war games and missile testing in and near the strait between July 1995 and March 1996 at a billion dollars. The final round of missile testing, he noted, took place while the National People's Congress was in session. While the NPC was not discussing the wisdom of the tests, this topic apparently having been declared off limits, NPC deputies from central and western provinces were complaining publicly[11] about the central government's failure to route development funds to them. And, in internal meetings, deputies from the coastal provinces were complaining bitterly about the loss of revenue and foreign investment that the missile tests were having on their economy.[12] None of this lends credence to the picture of a PRC so budget-conscious and focussed on economic development that it has neither the will nor the wherewithal to pursue ambitious strategies.

Since the strategy this increasingly capable force structure is intended to support is not consonant with China's public statements, analysts must try to ascertain it from other evidence. The years from 1989 through 1991 appear to have been a watershed for the Chinese leadership. The bloody suppression of peaceful demonstrators at Tiananmen Square and elsewhere in China in the spring of 1989 tarnished the international image of Deng Xiaoping's era as one of benign communism. It increased the sense of isolation of the Chinese leadership, even as foreigners continued to visit the PRC in large numbers and more Chinese than ever were travelling abroad.

When, only a few months later, the Soviet Union began to crumble, the PRC elite's sense of dwelling in a hostile international environment deepended still further. Elation over the conservative coup against Gorbachov was short-lived, since the plotters were quickly arrested and the republics that comprised the Union of Soviet Socialist Republics (USSR) became independent, non-communist states. The repercussions that this could have for China were all too clear to the PRC's octogenarian powerholders. They interpreted publicly-expressed Western hopes that the PRC would undergo a gradual transition toward liberal democracy as harboring malicious intent. This ''sinister plot of peaceful evolution'' was believed to be aimed at overthrowing the socialist government of China and repeatedly denounced in the official press. ''International splittists'' were believed to aim at dismantling the People's Republic of China in the same manner that the USSR had disintegrated.

While certain of the above-mentioned views seem overdrawn, there was abundant evidence of foreign collusion with national splittists. Tibetans have been especially successful in mobilizing international sympathy in support of their desire to be free of Chinese rule. In 1989, the Norwegian Nobel Prize Committee announced that the Dalai Lama, Tibet's long-exile spiritual and temporal leader, had won its annual award for peace. The world-wide publicity attendant on the award and the prestige that accrues to recipients were very upsetting to Beijing. Many countries have Tibet Houses to serve as foci for Tibetan culture abroad, and a highly unusual but exceptionally motivated multinational coalition of film stars, rock bands, politicians, scholars, and individuals seeking spiritual enlightenment through Tibetan Buddhism support the cause of independence.

When the Mongolian People's Republic was replaced by the republic of Mongolia, Tibetan Buddhism, which had been suppressed under the MPR, quickly reappeared. Young Mongols were reportedly learning Tibetan in preference to Russian. They, too, appeared to favor independence for Tibet. More worrisome to the Chinese leadership with regard to Mongolia was the possibility that China's ethnic Mongols, most of whom live in Inner Mongolian Autonomous Region that borders the new republic, would want to join it. In the far northwest of the PRC, a variety of Muslim groups ranging from the fanactically religious Hamas to secular Turks were aiding local Turkic Muslims in efforts to recreate an East Turkestan Republic free of Chinese domination.

Coastal provinces, while evincing no interest in declarations of independence, were nonetheless behaving in ways that indicated that they were making decisions independently of Beijing. Foreign investment was an important factor in their ability to ignore the central government's wishes. Hong Kong money was more instrumental to the development of Guangdong province than funds from Beijing, and Taiwan investment in Guangdong and neighboring Fujian far exceeded transfer from the central government to those areas. Similarly, the cities of the northeast attracted funding from Japan and South Korea. The dollar amounts of these investments are huge. According to official statistics provided by the government of the Republic of China on Taiwan (ROC), the small island-state has invested $1.7 billion in Guangdong's Shenzhen Special Economic

Zone alone.[13] These are the figures reported to the government by its citizens, and are believed to substantially understate the actual amounts.

America's reaction to Iraqi president Saddam Hussein's invasion of Kuwait heightened China's sense of international threat. U.S. president George Bush quickly put together a multinational coalition to force Saddam Hussein to relinquish Kuwait. Bush also expressed the wish that the Iraqi people would overthrow Saddam. Already on the defensive, the Chinese leadership saw ominous portents for itself, perhaps with regard to its desire to absorb Taiwan, by force if necessary. Foreign ministry spokespersons explained that, although China opposed the use of force against another nation, the PRC had long adhered to the Five Principles of the People, one of which was non-interference in the affairs of other states. Therefore, the ''principled stand'' of the PRC was to remain aloof from Saddam Hussein's differences of opinion with Kuwait. It is possible that Bush influenced China's eventual decision to abstain from the United Nations Security Council vote through promising to renew the PRC's controversial Most Favored Nation status a few months later.

In any case, the Chinese press tended to portray U.S. behavior in the Gulf War as bullying. In its view, the world's only remaining superpower, now that it was no longer checked by the Soviet Union, was attempting to force other countries to accept American values and the American social system, regardless of how inappropriate they might be to the countries they were being forced on. The PRC was particularly sensitive to U.S. pressures with regard to human rights, which had sharpened after the events at Tiananmen in 1989. China's own interpretation of human rights, spokespersons explained, had nothing to do with a system of checks and balances or the right to criticize the socialist system. Rather it focussed on the right to earn a living and the ability to obtain needed social services.

Co-existing with this view of the United States as an arrogant bully was the impression that the United States was a declining superpower. Government-affiliated think tanks held symposia on Paul Kennedy's imperial overstretch and Samuel Huntington's clash of civilizations, with participants predicting the eventual decline and fall of the American imperium. When asked about the apparent contradiction between these two views, a researcher at the Institute of American Studies of the Chinese Academy of Social Sciences explained to the author that ''we think the United States is a declining power, but a dangerous declining power.''

CHINESE STRATEGIC ACTIONS

Confronting an international environment that it perceived as hostile and a domestic environment in which its own prestige and legitimacy seemed to be eroding, the leadership appeared to fall back on nationalism. Official spokespersons stridently reiterated ''China's principled stand'' on a variety of international issues, and declared that the Chinese people would not be bullied. Actions taken in conjunction with these declarations included:

Establishing close ties with Burma's State Law and Order Restoration Commission. This has been described as an alliance between two pariah governments. At the time that close relations began, the Chinese leadership was widely criticized internationally for killing unarmed civilians at the spring 1989 demonstrations. Similarly, many countries shunned the SLORC when it put Aung San Suu Kyi under those house arrest after she won the country's 1988 presidential election. The PRC has built several roads from its southern border which Burmese patriots feared might be used as invasion routes by the Chinese military. China also sold an estimated $1.5 billion of weapons to the SLORC, thereby enabling the Burmese military to more efficiently quash popular opposition to the SLORC's rule. Additionally, the Chinese constructed a naval base on Burma's Cocos island, facing the Indian Ocean, including radar installations, and other bases at Hainggyi Island and Mergui. This upset India, which has regarded itself as guarantor of stability in the area. These fears were magnified when, in August 1993, the Indian navy captured three Chinese trawlers in the Bay of Bengal.[14]

Passing a law in February 1992 unilaterally claiming ownership of the Spratly, Senkaku, and Paracel Islands as well as Taiwan, and asserting the right to ''adopt all necessary measures to prevent and stop the harmful passage of vessels through its territorial waters [and for] PRC warships and military aircraft to expel the invaders.''[15]

Announcing that it would not take part in sanctions against the Democratic People's Republic of Korea (DPRK) when it was discovered in 1991–92 that the DPRK either possessed or was about to possess nuclear weapons. Because China borders on North Korea and has many rail, air, and land connections with the country, it was deemed unlikely that the sanctions would be effective without the PRC's participation.

In early 1995, constructing bunkers and radar installations on islands whose ownership is contested with the Philippines, and placing boundary markers meant to demarcate the PRC's territorial waters less than fifty miles from the Philippines' Palawan Province.

In spring 1995, circulating a map showing the Natuna Islands as part of China's exclusive economic zone. The Natunas, which contain rich gas deposits, are administered by Indonesia.

Selling 5,000 ring magnets to a state-run nuclear-weapons laboratory in Pakistan in 1995, as well as continuing to secretly export nuclear, chemical, and missile technology to Iran and Pakistan.[16]

Beginning oil-exploration in the Senkaku Islands, despite Japan's continuing claim to the island.[17]

Conducting five sets of missile launches and war games in the Taiwan Strait between July 1995 and March 1996. Taiwan's president Lee Tenghui had angered China with his efforts to raise the island's international profile, and the PRC wished there to be no doubt about its dislike of Lee before Taiwan's voters went to the polls for the island's presidential election on March 23, 1996.

Announcing that Hong Kong's democratically elected legislature would be abolished after China takes over the colony in July 1997 and setting up a provisional legislature to begin governing before that date. The only member of Beijing's carefully chosen preparatory committee to vote against the provisional legislature was immediately told that he would not be part of the new group.[18]

Postponing a vote on a United Nations resolution which would extend the UN peacekeeping force in Haiti for an additional six months and threatening to use its veto in the UN Security Council if necessary to block the action. The PRC became angry with Haiti because it invited Taiwan's vice-president Li Yuan-zu to attend the inauguration of president Reńe Preval in February 1996.[19]

Continuing nuclear testing despite repeated requests to do so. With France having declared an end to its testing, the PRC is now the only state which continues to detonate fissile material.

FOREIGN REACTIONS

These actions, when combined with the substantial weapons purchases discussed above, were consonant with a strategy of China bent on playing the role of hegemon in Asia, as well as exercising substantial influence outside of Asia. Questions of whether or not this is inevitable and how advantageous a strong China would be to global stability have been hotly debated. A columnist for *The Manila Chronicle* applauded the idea of a strong China, writing:thank God that, with the Soviet Union's disintegration and Russia now an American lackey, there is one nation—and an Asian nation at that—that will not be cowed by the U.S. and will stand up to American arrogance and bullying. Thank God for other countries like Iran, Iraq, Cuba and Libya. Otherwise the Americans, who consider themselves a superior race, one of the great hoaxes of our times, would hold all of us hostage to their nuclear arsenal and grind all of us under their heels . . . But China should be able to strike at some American cities with its own intercontinental ballistic missiles, and it is this danger that may stay the bullies' hand and counsel caution and prudence.[20]

Less emotional responses tended to focus on the theme that the sum total of the PRC actions cited above was less hostile than it seemed. For example, many analysts consider the Philippines' claim to the Spratly Islands to be weak. Indeed, Corazon Aquino's administration had planned to renounce the country's claim until an upsurge of nationalism made it politically impossible to do so. It is therefore possible to view China's actions as an effort to challenge a weak adversary, and perhaps to issue a warning to other claimants. An Australian analyst goes so far as to state that since China [both PRC and ROC]'s claim to the Spratlys is well-established, the PRC's plans to take the Spratlys by force ''is probably consistent with international law and international practice.''[21]

As for Taiwan, those sympathetic to China's actions believe that, in seeking a higher international profile for the Republic of China on Taiwan, Lee Teng-hui knew he was courting disaster. Moreover, the United States should never have granted Lee a visa to visit its territory. Lee used the occasion to make a speech lauding his country's accomplishments. Hence, not the PRC but the ROC, in collusion with the United States, was responsible for the crisis in the Taiwan Strait.

With regard to nuclear testing, China has on several occasions indicated its willingness to participate in the nuclear non-proliferation treaty (NPT). It is in favor of the eventual complete destruction of all nuclear weapons.[22] However, to join in a moratorium on testing before the Comprehensive Test Ban Treaty (CTBT) goes into effect would be to freeze the People's Republic of China in a position of permanent inferiority to the advanced Western powers whose ranks it desires to join. China's goal in its current rounds of testing is the successful miniaturization of nuclear weapons. This should be completed by the time the CTBT goes into effect. At this point, the PRC will ratify the treaty and abide by its provisions.

Nor are the roads and bases in Burma necessarily as menacing as they have been portrayed. China may want an outlet to the Bay of Bengal and Indian Ocean for commercial purposes rather than because of military considerations. Given Burma's rickety infrastructure, road construction and port development are absolutely necessary before this outlet for Chinese goods is feasible. Therefore, it is in China's best interest to help the Burmese government to improve that infrastructure. Deng Xiaoping's economic development policies had the unintended effect of

advantaging the industrial growth and income levels of coastal provinces while disadvantaging those of inland provinces, thus creating ill-will between the two areas and exacerbating regional tensions. Being able to export the products of nearby Yunnan and Sichuan through Burma has the potential to mitigate some of these tensions.

A deep-water port on Hainggyi Island could provide Chinese manufacturers with an outlet to markets in the Indian Ocean and beyond. Moreover, neither the hydrography nor the topography of Hainggyi is suited to the construction of a major naval installation. The seaward approaches include several shoals, and the main shipping channel is both narrow and subject to heavy silting. Water levels vary substantially in accordance with the yearly monsoon, and there are strong tides. These factors would complicate the berthing and navigation of large vessels. If armed conflict were to break out, a naval base at Hainggyi would be vulnerable to mining and attack from the sea.[23]

Reports of intelligence surveillance activities based on the Cocos Islands are, in the opinion of some, overdrawn. If China wants to collect intelligence on India, the task could be better carried out from a facility on the Burmese mainland that is located closer to India's missile launch facilities. Such a location would encounter fewer logistical difficulties as well. Moreover, according to reports from India, China already conducts electronic and other surveillance in the Indian Ocean from trawlers.[24]

As for Korea, the same issue of state sovereignty that made China reluctant to endorse a U.N. Security Council resolution condemning Iraq's annexation of Kuwait made it refuse to participate in sanctions against the DPRK. Moreover, since North Korea's economy is believed close to collapse, sanctions might prove the death blow, and China might be invaded by millions of starving refugees and be burdened with an unstable regime on its borders. The PRC hence has sound security reasons for wanting to avoid any actions that would cause the demise of the DPRK.

While there is a certain degree of validity to these arguments, they fail to convince in many ways. If the PRC's claim to sovereignty in the Spratlys is strong, then why has China been unwilling to submit it to adjudication? It has, moreover, been unwilling to enter into multilateral discussions with the other claimants. This gives the impression that the PRC intends to use its large size to intimidate individual claimants in a way that would be more difficult in a multiple forum. The negative publicity from maintaining an intransigent stance in a bilateral context would also be less than in a larger gathering. Hence, shrewd calculations of self-interest rather than a ''principled stand'' based on respect for international law is the PRC's real motivation.

As for the argument that China's construction activities in Burma have commercial rather than military motives since the areas chosen are not the best ones for large ships and other military platforms, the same arguments could be made about commercial vessels. It seems unlikely that such extensive facilities would be being constructed for the use of small commercial ships. The products of China's southwest could more efficiently be transported to market by larger vessels. The high costs of construction would not appear to be justified by the expected commercial returns, and there are better alternative uses of the funds.

Those who plan bases in Burma may not be applying the same standards of logic and efficiency as foreign analysts. They may also have information and/or motives not available to these analysts. Were logic alone to be applied to China's relations with Burma, it would probably tell the PRC not to become so closely identified with the SLORC at all. The régime is much disliked by ordinary Burmese; should it be toppled from power, the SLORC's successor might well ask the Chinese to leave.

With regard to Taiwan, China's stand also seems unduly belligerent. Even if Lee's efforts to maintain a higher profile for the island convinced PRC leaders that he meant independence despite the fact that Lee has never publicly stated that he is in favor of independence, raining missiles off its coasts and moving troops and equipment into menacing positions near the island seems an overreaction. In the past, the PRC was able to achieve much by threatening economic boycotts of countries who sold weapons to the ROC or gave its diplomats a degree of respect that the PRC thought offensive. One imagines that the proponents of the tough line on Taiwan were feeling increasingly desperate on noticing that countries who continued to publicly endorse a one-China policy had privately come to terms with the reality that two sovereign states existed. The direct popular election of the ROC president, the capstone of the island's impressive democratization process, symbolized to the mainland leaders Taiwan's desire to determine its own future and was therefore the catalyst for the PRC's belligerent posture.

China's reasons for going ahead with nuclear testing while declaring its ''principled stand'' on the eventual complete destruction of all nuclear weapons also seem disingenuous. If the PRC does intend to sign and abide by the Comprehensive Test Ban Treaty and eventually destroy all its nuclear weapons, one must question the need for expensive, ongoing research and development of products that are slated for destruction. There is certainly no nuclear threat to the PRC in the interim period. Also, given China's stands in certain aspects of the negotiation process, there is some possibility the PRC will not actually sign the CTBT. For example, it has continued to maintain that the CTBT should allow peaceful nuclear explosions, which China claims it needs for purposes of resource extraction. There is little support for this position elsewhere. Arms control experts point out that peaceful nuclear explosions are also unsafe, and that it is more difficult to determine whether a test is for peaceful purposes or military purposes than the Chinese allege. Furthermore, using nuclear explosions to extract resources is highly uneconomical.[25]

COUNTER-STRATEGIES

Although there is a school of thought which argues that other countries can have little influence over the PRC's behavior, with the generally unspoken conclusion that therefore it is useless to try, empirical evidence indicates otherwise. While not all attempts to induce China to modify its stands have been successful, it has happened in several instances.

After the NPC passed a law in February 1992 unilaterally asserting China's sovereignty over several islands including the Senkaku/Diaoyutai group which is claimed by Japan, Tokyo quietly informed the PRC's foreign ministry that this patent affront to Japanese sovereignty would strengthen right-wing sentiment in the country as well as right-wing calls for rearmament. Moreover, the visit of the emperor and empress to China would be jeopardized. The PRC's elderly leadership, with its vivid memories of Japanese cruelty during World War II, fears the re-militarization of Japan. Chinese leaders also very much wanted the imperial visit to proceed on schedule since they were hoping it would include a long-awaited official apology for Japanese aggression against China during the war. Thus, barely a month after the law was passed, a spokesperson for the Chinese foreign ministry explained that the NPC's decision ''was part of a normal domestic legislative process, did not represent a change in Chinese policy, and would not affect the joint development of the islands with countries involved in the dispute.''[26]

Indonesia despatched its foreign minister to Bejing immediately after learning that a Chinese map showed the Natuna Islands as part of the PRC's exclusive economic zone. He was told by Chinese foreign minister Qian Quichen that the PRC considers the Natunas to be under Indonesian jurisdiction, and has never claimed them.[27]

Confronted with an unusual unity of Latin American states, including Cuba, who denounced China's playing of cold-war games on their continent, the PRC cast its security council vote in favor of extending the UN peace-keeping force in Haiti for four more months with a maximum of 1,200 troops. The resolution was introduced by China, which subsequently described its ''adherence to principles and flexibility'' as having been ''hailed by the international community.''[28]

China's belligerence in the Taiwan Strait calmed down after two U.S. carrier battle groups were despatched to the area in mid-March 1996. The PRC even declared that Lee Teng-hui's resounding victory in the March 23 election was actually a triumph for its point of view, since Lee's major opponent had been an outspoken proponent of independence.

One should not draw unduly optimistic conclusions from the instances cited above. The Chinese foreign ministry's attempt to soften the impact of the 1992 law does not mean that the law has been withdrawn; the claims made in it can be advanced again at any time. Qian Quichen's telling his Indonesian counterpart that China does not claim the Natunas does not explain how the map placing it in the PRC's exclusive economic zone came to exist. Qian's promise was apparently oral, and might be re-interpreted in the future. And the mainland could seize on any of a wide variety of happenstances to resume its menacing posture with regard to Taiwan.

There are also examples of efforts to induce the PRC to modify its behavior having no results at all, or results that might even be interpreted as worse than before. For example, the PRC continued nuclear testing despite Japan's repeated entreaties that it stop. The Japanese government responded by suspending grants-in-aid to China until the testing stopped. The PRC then began conducting research activities in the Senkakus, with a Chinese source telling a Tokyo newspaper that the action had been taken as an act of reprisal for the suspended aid.[29]

The strategy that the PRC seems to be employing is one of probing: where a rival claimant or potential adversary seems weak, apply pressure. Where expedient, back down, at least temporarily. Where public opinion in the rival claimant or potential adversary seems to waver in its support for applying retaliatory pressure, ignore the pressure from that country to back down and seek to exploit the divisions. The fact that most of these countries have freedom of the press and outspoken citizens with differing opinions facilitates the PRC's task. As a case in point, Japan's attempts to modify China's behavior are not helped when Japanese newspapers report that ''most government officials are averse to freezing the loans, saying that yen-based loans are one of the bases of our policies toward China.''[30]

Similarly, Chinese officials are well aware that both the Bush and Clinton administrations have been reluctant to apply the sanctions that U.S. law enjoins them to, fearing

adverse effects on American corporations that do business with the PRC. In 1991, when the U.S. Central Intelligence Agency (CIA) revealed that the PRC had shipped missile components to Pakistan, the Bush administration suspended U.S. missile technology sales to the two Chinese state-affiliated companies that shipped the components. The ban was lifted less than a year later, after China pledged to follow the multilateral Missile Technology Control Regime.

However, In 1993, the CIA reported that the PRC had resumed shipping the components. Washington then blocked the sale of $500 million of communications satellites and related technology to Beijing. The sanctions were lifted on February 7, 1996, the same day that administration officials announced that China had secretly sold to Pakistan ring magnets used to refine bomb-grade uranium. Intelligence sources had actually revealed the sale the year before, but the State Department, fearing that making the information public would antagonize the PRC, at first maintained that the evidence was not sufficiently clear-cut.[31] Aware that the U.S. president is reluctant to disadvantage American businesses by enforcing the penalties specified for proliferation, the PRC has little incentive to modify its behavior. Clinton will probably announce selective sanctions on selected PRC factories,[32] more because it will enable him to deflect his domestic critics' accusations that U.S. behavior encourages China to violate agreements than because he believes that the sanctions will encourage China to modify its behavior. Unfortunately, since it demonstrates that the U.S. has written laws with sanctions that it dares not put into practice, this sort of behavior reinforces Mao Zedong's long-ago characterization of the United States as a paper tiger. While able and willing to roar loudly, the American tiger is highly unlikely to use its teeth.

The PRC has shown that it will back down when confronted with determined and united resistance, as it did in the case of the UN peacekeeping force in Haiti. Neither determination nor unity have characterized either the United States' or Asian countries' policies. While Asian nations quietly supported the U.S. decision to send carrier battle groups to the Taiwan area,[33] their public stance was so low-key as to become the focus of criticism in their own countries. For example, an editorial in Bangkok's The Nation described the Thai government's response as ''flaccid diplomacy'' and warned that ''Thailand gains little by appearing so unimaginatively obsequious to Beijing.''[34] Similarly, the Tokyo daily Sankei Shimbun accused Japan's Ministry of Foreign Affairs of being ''weak-kneed'' and ''showing consideration only for relations with China, as usual.''[35]

Although this kind of response was common, it was not universal. Fears about the implications of China's actions against Taiwan for its own territory and concerned with the fate of the thousands of Filipino guest-workers on Taiwan notwithstanding, the major concern of the Filipino press was whether their country could be dragged into a conflict between China and Taiwan if it allowed United States ships to dock at ports in the Philippines.[36]

There are signs that this attitude of fatalistic passivity may be changing. The Asian Regional Forum (ARF) was established in July 1994 to provide a high-level consultative group on security matters within the area, though it has yet to show any concrete results. ARF has created no dispute resolution mechanisms, and other members have so far been disinclined to put pressure on China to discuss the issues causing the most tension. Conversely, the PRC has successfully pressured ARF members not to allow the ROC to participate, even as an observer, and has also blocked the island from membership in the Asia Pacific Parliamentary Forum (APPF.[37] The Asia-Pacific Security Dialogue, held in March 1996 against a backdrop of missile tests in the Taiwan Strait that, as one Bangkok newspaper phrased it ''unnerved the region, but this issue did not make the agenda . . . the three-member Chinese delegation at the seminar said they had no intention of allowing what Beijing considers to be an internal affairs be brought up for discussion at the forum.''[38]

Individual and bilateral responses the China's behavior have also occurred. For example, the Japanese cabinet has submitted a bill to the Diet that would establish a 200-nautical mile economic zone around the country's coastline which will include the Senkakus,[39] and the Liberal Democratic Party (LDP)'s Policy Research Council began ''in-depth study on measures to cope with a possible situation seriously affecting Japan's security, including introduction of emergency legislation.''[40] The LDP's instructions to its research council made it clear that this threat was expected to emanate from the PRC.

Also to China's annoyance, Vietnam and the Philippines concluded a Code of Conduct in the South China Sea governing the two countries' conduct with regard to the disputed Spratly Islands. The PRC's position is that, since it alone holds indisputable sovereignty over the Spratly, such declarations by other countries amount to infringing on China's rights.[41] The Philippines embarked on a force modernization program immediately after the confrontation with China in the Spratlys.[42] And the Five Power Defense Arrangement (FPDA), involving Australia, Malaysia, New Zealand, Singapore, and the United Kingdom, was reactivated. In late March 1996, the FPDA members held an eight-day exercise designed to repel an air attack against Singapore and Malaysia.[43] Taiwan has also made large arms purchases, though it has frequently been prevented from buying the kinds and models of equipment it desires because supplier countries fear risking their business interests with the PRC if they sell weapons to the ROC.

These are small steps, and it remains to be seen whether more substantive consensus on settling outstanding disputes with the PRC can be achieved. If the parties to the dispute over the Spratlys agree to China's demands that they negotiate bilaterally, then the position of all is weakened. One is reminded of Benjamin Franklin's advice to the fractious colonies that were attempting to resist Great Britain: we must all hang together, or most assuredly we will hang separately.

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Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Speaker, I rise today in opposition to House Joint Resolution 182.

MFN status is not a concession and does not mean that China is getting preferable trade treatment—there really is no most favored in MFN. MFN means China and the United States grant each other the same tariff treatment that they provide to other countries with MFN status—which is everyone except a few rogue states such as North Korea.

Revocation of MFN would be a lose-lose situation for the American people. It would cause substantial harm to the U.S. economy. Trade with China has provided American businesses with a tremendous economic growth opportunity.

And as we have seen in other areas of the world, trade restrictions are successful in changing behavior only when they are universally observed. Unilateral action won't work. China will have little reason to change since Beijing can simply take its business elsewhere.

I ask you to vote against House Joint Resolution 182. Only by fostering economic prosperity can we hope to see the changes in China that we all want. Vote ''no'' on House Joint Resolution 182.

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

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Ms. DELAURO. Mr. Speaker, China has enjoyed most-favored-nation trading status for many years. I have supported MFN for China for the past 3 years with the hope that the United States and China would both benefit from a cooperative relationship. In fact, the opposite has happened. China has engaged in unfair trade, pirated intellectual property, proliferated nuclear weapons, acted with belligerence toward Taiwan, smuggled arms into the United States, and engaged in human rights violations. Because of China's actions, I will regrettably oppose MFN status.

China's trade status with the United States gives us leverage. We must use it to further American interests, interests affecting trade, foreign policy, American exports, and American workers.

Mr. Speaker, I am voting against MFN for China because it is time to send a message to the Chinese and to our trade leaders, and I emphasize our own trade leaders, that more of the same from China is not acceptable. If our Government wants support for free trade, then it must insist on fair and equal standards and compliance with our trade laws. When that happens, there will be broader support for MFN.

Mr. Speaker, China has enjoyed most-favored-nation trading status for many years. I have supported MFN for China for the past 3 years with the hope that the United States and China would both benefit from a cooperative relationship. In fact, the opposite has happened. China has engaged in unfair trade practices, pirated intellectual property, proliferated nuclear weapons, suppressed democracy, acted with belligerence toward Taiwan, smuggled arms into the United States, and engaged in human rights violations. Because of China's actions—I will regrettably oppose MFN status.

China has gladly profited from MFN while continually flaunting international agreements and standards of conduct. China sends more than one-third of its exports to the United States while only 2 percent of American exports can crack the Chinese market. The result: we now have a $34 billion trade deficit with China.

China's trade with the United States gives us leverage. We must use it—to further American interests—interests affecting trade, foreign policy, American exports, and American workers.

I applaud recent efforts to win an intellectual property agreement to protect American products from state-sponsored piracy in China. I hope it will yield results. But more than that, the IPR agreement demonstrates how the United States can and should use its enormous leverage to protect American interests and further a genuine global trading community.

The United States must not give China a pass on the tough issues. We need to use our trade laws to pressure China for greater access for American companies and goods. We need to take action when China knowingly aids in the proliferation of weapons and weapons technology. And we need to take steps to shield American workers from unfair and inhumane prison labor.

I am voting against MFN for China because it is time to send a message to the Chinese and to our trade leaders, and I emphasize our own trade leaders, that more of the same from China is not acceptable. If our Government wants support for free trade, then it must insist on fair and equal standards and compliance with our trade laws. When that happens—there will be broader support for MFN.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, I rise in opposition to House Joint Resolution 182.

Perhaps no international relationship is more complicated than that of the United States with China. Our vastly different cultures and histories, and particularly China's appalling record on human rights and democratization make reaching out and understanding each other profoundly difficult.

Yet difficult as it is, it must be done. Profound economic change is sweeping China. This means not only jobs for Americans here at home. In 1995 alone more than $68 million in goods produced in Connecticut went to China. It also means improved living conditions, improved wages, and employee benefits for some Chinese, because of the practices introduced by American companies.

Like many of my colleagues, I believe that our policy toward China must go beyond MFN. Trade is only part of a larger dialogue. It is time to stop treating the annual debate on MFN as the lens through which we examine all facets of our relationship with China. Extension of MFN, in my view and in that of many of my colleagues, in no way condones China's policies. Instead, it is a way of keeping the window open and keeping the dialogue going.

Revoking MFN would significantly weaken our political and economic position. It would weaken our ability to improve human rights. It would weaken our efforts to promote fair world trade. And it would weaken our position in the world arena.

Revocation is simply the wrong message and the wrong action. I urge my colleagues to vote ''no'' on the resolution of disapproval.

Mr. BUNNING of Kentucky. Mr. Speaker, could you please give us the time remaining?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Texas [Mr. ARCHER] has 15½ minutes, the gentleman from Florida [Mr. GIBBONS] has 17½ minutes, the gentleman from Kentucky [Mr. BUNNING] has 2½ minutes, the gentleman from California [Mr. ROHRABACHER] has 10 minutes, and the gentleman from California [Mr. STARK] has 13 minutes.

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

Mr. ROHRABACHER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we have heard time and time again today several arguments in favor of keeping the current trade policy toward China. One is that if we change the trade policy that we currently have, that it is tantamount to walking away or tantamount to no trade at all, or tantamount to an embargo against China. I hope those who are listening, I hope those who are reading the CONGRESSIONAL RECORD, will note no one on our side of the aisle or our side of the debate, I guess I should say, especially myself, who is the author of the resolution, is advocating any of that. That is not what this debate is about. As far as I am concerned, that is not a legitimate part of the debate, although we hear it time and time again expressed. The fact is we are talking about the current trade status.

Now, those who are opposed to my resolution accurately say that we are not talking about most-favored-nation status because it sounds like it is something more than our current trade status, but what I am suggesting is our current trade status is immoral, it is

wrong both economically and strategically for the United States; in other words, that it does not benefit the United States to have the current trade status.

Also let us note that during this debate, over and over again we have heard the other argument presented by the other side, which the main argument is that if we continue with our current trade status, it will mean a more prosperous China and a more prosperous china will be a freer and less threatening China. That is a theory. That theory has been proven, in reality for the last 9 years, to be absolutely 180 degrees opposite from what reality is. That theory is wrong, and I hope those people who are reading the CONGRESSIONAL RECORD will note that those making that argument are making it in the face of overwhelming evidence that it is wrong.

China is becoming more repressive and has become more repressive, has become more belligerent and more threatening to its neighbors even though we have the current trade policy and we have renewed it since the massacre at Tiananmen Square in 1989.

So the opposition to my suggestion that we change current trade policy is based on an incorrect analysis of reality, a theory that is not working and a straw-man argument that just does not hold water because that is not what we are advocating in terms of an embargo or walking away from China.

What we are suggesting is that the current trade relationship with China hurts the American people, first. It hurts the American people. It costs us jobs. The argument that there are 170,000 jobs created by our trade relationship with China, that holds some water until we realize that our trade relationship with China costs the American people hundreds of thousands of more jobs, that our trade relationship with China is an attack on the well-being of the American working people.

Now, certainly some major corporations benefit from our current trading relationship. There are some people making a profit, and there are some jobs being created. But clearly, but clearly when we talk about representing the interests of our people, the overall effect of our trading policy with China is to attack the well-being. We are putting our own people out of work by the hundreds of thousands so that a few corporate interests can make a big profit and a few other jobs will be created. So it is wrong, wrong, wrong economically.

We are supposed to represent the interests of our people. If we are not here to represent the interests of our people, who is? Who is going to argue their case?

Now, what does it represent as well economically? It means a $35 billion drain on capital from the United States which would be here for our people to build factories and such that now goes to China because they have a net benefit of $35 billion every year from their trade relationship with us. What do they do with that money? They spend that $35 billion producing a modern weapons arsenal that some day may be used to kill Americans. That makes absolutely no sense.

They are stealing our technology, they are belligerent against their neighbors, they are in fact the worst human rights abusers on the planet today, and we are giving them a trade relationship that nets them a $35 billion benefit every year. This makes no sense; it is insane.

And my last argument is it is morally wrong. As we celebrate our Fourth of July and as we celebrate those words of Thomas Jefferson and our Founding Fathers that put our country on a higher plane than just those people who would be making policy based on the self-interests of the economic elite of their country, we stand for freedom, we stand for liberty, and as long as we do, the people in China who will try to build a better China and try to build a more peaceful and prosperous China, they are being demoralized by our lack of respect for our own principles.

Let us change the trade policy with China. To vote for most-favored-nation status is a morally bankrupt position.

Mr. CRANE. Mr. Speaker, I include the following letter from 881 American companies and associations for the RECORD.

BUSINESS COALITION
FOR UNITED STATES-CHINA TRADE,
June 20, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Unconditional renewal of China's MFN trading status is in our nation's interest. We urge the Executive Branch and the Congress to work together on a bipartisan basis to ensure unconditional renewal of MFN and to defeat any legislation that would restrict or condition future expansion of U.S-China trade. We welcome recent statements by you and by former Senate Majority Leader Dole expressing support for unconditional renewal of MFN.

America's prosperity rests on our continued leadership in the global economy. In the last five years, China has become the fastest-growing market in the world for American exports.

In 1995, exports of U.S. goods and services to China rose by 26 percent, reaching nearly $14 billion annually. These exports support over 200,000 high-wage American jobs. Our exports were led by rising demand for U.S. aerospace products, computers, grains, chemicals, telecommunications technology, power generation equipment, electronics, and financial services.

Last year, China imported $2.6 billion of U.S. farm products, making it the sixth-largest market in the world for American agriculture. While many of our other leading farm customers are mature Asian and European markets, China has vast potential. To reap the historic promise of the ''freedom to farm'' bill, America's farmers need continued access to export markets.

U.S.-China trade also supports hundreds of thousands of jobs in U.S. consumer goods companies, ports, transportation firms, and retail establishments.

These exports and jobs would be put at risk if MFN is not renewed or if restrictions and conditions are imposed on future expansion of U.S.-China trade. America's reputation as a reliable supplier would be called into question again by our customers around the world if we revert to a failed policy of using U.S. trade as a foreign policy weapon.

In the last decade, China's market-oriented reforms, which U.S. trade and investment help to support, have contributed to vast improvements in the lives of hundreds of millions of Chinese by raising incomes, expanding economic freedom, improving access to information, and fostering increased support for the rule of law. Cutting off U.S. trade would end the positive influence of American companies in the Chinese workplace and set back the entrepreneurial forces that offer the best hope for freedom and democracy in China.

We have urged the Chinese Government to fully adhere to its negotiated agreements. We have also urged China to undertake the far-reaching commitments required to join the WTO on a commercially acceptable basis.

The ultimate goal of U.S. policy should be to move beyond the divisive annual struggles over China's MFN trading status to a stable and mature relationship that advances American jobs, prosperity, and security. We believe such steps are in our nation's interest. We look forward to working closely with you and the Congressional leadership in the coming weeks to achieve the goal of stabilizing and improving this vital bilateral relationship.

Sincerely,

3M Company; A & C Trade Consultants, Inc.; AAI Corporation; Aaron Ferer & Sons Co.; AATA International, Inc.; Abacus Group of America, Inc.; ABB, Inc.; Abbott Laboratories; ACCEL Technologies; AccSys Technology Inc.; Acme Foundry Inc.; ACTS Testing Labs, Inc.; adidas, AMERICA; Advanced Controls; Aero Machine Co. Inc.; Aerospace Industries Association of America, Inc.; Aerospace Products Inc.; Aerospace Services and Products; AES China Generating Co., The; AES Corporation, The; Agribusiness Assn. of Iowa; Agri-Chemicals Corp.; Agricultural Retailers Association; Agrifos L.L.C.; Air Products & Chemicals Inc.;.

Airguage Company; Airport Systems International, Inc.; Albany International Corporation; Allen-Edmonds; Allied Signal Inc.; Alta Technologies Incorporated; Alto Findley Inc.; AM General Corporation; Amber, Inc.; Amer-China Partners Ltd.; American Accessories International, L.L.C.; American Applied Research; American Association of Exporters & Importers; American Automobile Manufacturers Association; American Bangladesh Economic Forum, The; American Chamber of Commerce—Korea, The; American Chamber of Commerce in Australia, The; American Chamber of Commerce in Guangdong, The; American Chamber of Commerce in Hong Kong, The; American Chamber of Commerce in Indonesia, The; American Chamber of Commerce in Japan, The; American Chamber of Commerce in Okinawa, The; American Chamber of Commerce in Taipei, The; American Chamber of Commerce in the Philippines, The; American Chamber of Commerce in Vietnam—Ho Chi Minh City Chapter, The; American Chamber of Commerce People's Republic of China—Shanghai, The; American Chamber of Commerce People's Republic of China—Beijing, The; American Crop Protection Association; American Electronics Association; American Express Company; American Farm Bureau Federation; American Financial Services Association; American Forest & Paper Association; American Home Products Corporation; American International Group, Inc.; American Malaysian Chamber of Commerce, The; American Pacific Enterprises Inc.; American

President Lines, Ltd.; American Seed Trade Association; American Shorthorn Association; American Soybean Association; American Standard Inc.; American White Wheat Producers Assoc.; Ameritech International; Amiran Zaloom;

Amoco Corporation; AMP Incorporated; Amway Corporation; Andersen Worldwide; Anderson Roethle, Inc.; Andersons, Inc., The; Andros, Inc.; Angel-Etts of California, Inc.; Ann Taylor, Inc.; APEX Broaching Systems; Apoly Industrial Limited; Aptek, Industries; Arbiter Systems, Inc.; ARCO International; Argo Oil & Gas Corporation; Arizona Chamber of Commerce; Armstrong World Industries; ARR/MAZ PRODUCTS, L.P.; ASICS TIGER CORPORATION; Asmara Inc.; Associated Company Inc.; Association for Manufacturing Technology, The; Association of Business & Industry (Oklahoma State Chamber of Commerce); AT&T; ATC International, Inc.; ATSCO Footwear Inc.; Audre, Inc.; AXTOM Training Inc.; Axis Corporation, The; B & B Machine & Tooling Inc.; B&S Steel of Kansas, Inc.; B.H. Aircraft Co. Inc.; Baker & Daniels; Baker, Maxham, Jester & Meador; Bakery Crafts; Bandai America Incorporated; Barbara Franklin Enterprises; Barclays Bank PLC/New York; Baron-Abramson Inc.; Bartow Steel, Inc.; BBC International Ltd.; BCI; Bechtel Group, Inc.; Belk Brothers; Bell South Corporation;

Bennett Importing; Berelson & Company; Best Products Co., Inc.; Beta First Inc.; Beta/Unitex, Inc.; Black & Veatch International; Blue Box Toys, Inc.; BNL Corp.; Boatmans/Bank IV; Boeing Company, The; Bomamza Enterprises, Bombay Company, Inc., The; Bradbury Co., Inc.; Brahm & Krenz International Ltd.; Breslow, Morrison, Terzian & Associates; Bridgecreek Development Co.; Bridgecreek Realty Company; Bristol-Myers Squibb Company; Brite Voice Systems; Brittain Machine, Inc.; Brookstone, Inc.; Brown & Root, Inc.; Brown Shoe Company; Broyhill Inc.; Brunswick River Terminal, Inc.; Budd Company, The; Buffalo Technologies Corporation; Bunge Corporation; Burnett Contracting & Drilling Co., Inc.; Business Roundtable, The; BUTLER GROUP, THE; C&J CLARK AMERICA; C.J. Bridges Railroad Contractor, Inc.; Cadaco, Inc.; Caldor Corporation, The; California Chamber of Commerce; California Microwave, Inc.; California R & D Center; California Sunshine Inc.; Caltex Petroleum Association; Cape Cod Chamber of Commerce; Capital-Mercury Shirt Corp.; Caplan's; Cargill Detroit Corporation; Cargill Fertilizer, Inc.;

Cargill Flour Milling; Cargill, Inc.; Carroll, Burdick, McDonough LLP; Carson Pirie Scott & Co.; Caterpillar Inc.; The Cato Corporation; Celestair, Inc.; Cels Enterprises; Center Industries Corp.; Central Maintenance & Welding, Inc.; Central Purchasing of China, Inc.; Centurion International Inc.; Cessna Aircraft Company; CF Industries, Inc.; CHA Industries; Chadwick Marketing, Ltd.; The Chamber of Commerce of Hawaii; Chance Industries; Chapin, Fleming & Winet; Charles Engineering Inc.; The Chase Manhattan Corporation; Chemical Manufacturers Association; Chevron Corporation; Chief Industries, Inc.; China Products North America, Inc.; China Trade Development Corp.; China-American Trade Society; Chrysler Corporation; The Chubb Corporation; CIGNA Corporation; Citicorp/Citibank; Clark Manufacturing Inc.; Claude Mann & Associates Inc.; Clubhouse Marketing; Coalition of Service Industries; Coastcom; The Coca-Cola Company; Coffeyville Sektam Inc.; Coleman Company, Inc.; Colorworks; Commonwealth Toy & Novelty Co., Inc.; Compaq Computer Corporation; Compressed Air Products, Inc.; Computalog, USA; Computer & Communication Industry Association;

Computing Devices International; ConAgra, Inc.; Conoco; Continental Grain Company; Coopers & Lybrand L.L.P.; Corn Refiners Association; Cornhusker Bank; Corning Incorporated; Coudert Brothers; Countrymark Cooperative Inc.; CPC International, Inc.; Craft Corporation; Crate & Barrel; Creative Computer Solutions; CSX Corp.; CSX Transportation; CTL Distribution, Inc.; Cumberland Packing Corp.; Cybercom; Daggar Group Ltd.; Daisy Manufacturing Co., Inc.; Dale C. Rossman, Inc.; Daniel Valve Co.; DAN-LOC Corporation; Darling International Inc.; Dawahare's, Inc.; Dayton Hudson Corporation; Deere & Company; Dekalb Chamber of Commerce; Diamond V. Mills, Inc.; Digital Equipment Corp.; Direct Selling Association; D-J Engineering Inc.; Dodge City Chamber of Commerce; Donnelley & Sons Company; Dothan Area Chamber of Commerce; The Dow Chemical Company; Dow Corning; DPCS International; Dresser Industries, Inc.; DuPont Company; Duracell International Inc.; Dynasty Footwear; E.S. Originals; Eagle Eyewear Inc.;

Eaglebrook, Inc.; Easter Unlimited/Fun World; Eastman Chemical Company; Eastman Kodak Company; Eaton Corporation; Ebisons Harounian Imports; Eckerd Corporation; Ed Wheeler & Associates; Eden L.L.C.; Edison Brothers Stores, Inc.; Edison Mission Company; Edison Mission Energy; EDS; EG&G, Inc.; Elan-Polo, Inc.; Electronic Industries Association; Eli Lilly and Company; Elicon Endicott Johnson; Emergency Committee for American Trade; Emeritus, Holland & Knight; Emerson Electric Co.; Empire of Carolina, Inc.; Endicott Johnson Corporation; Enercon Industries Corporation; Epperson & Company; Erie Chamber of Commerce; Ernst & Young L.L.P.; The Ertl Company, Inc.; Essex Group, Inc.; Everbrite Inc.; Excel Manufacturing Inc.; Excelled Sheepskin and Leather Coat Corp.; Export Specialists, Inc.; Exxon Corporation; Family Dollar Stores; Farmland Hydro, L.P.; Farmland Industries, Inc.; Federated Department Stores, Inc.; Feizy Import and Export Company; The Fertilizer Institute; Fife Florida Electric Supply, Inc.; FILA USA; Fingerhut Companies, Inc., First Chicago NBD Corporation; Firstar Bank;

Fischer Imaging Corporation; Fisher-Price, Inc.; Flight Safety International; Florida Phosphate Council; Flour Daniel, Inc.; FMC Corporation; FMC-Crosby Valve Inc.; FMH, Inc.; FOOTACTION USA; Footwear Distributors and Retailers of America, Inc.; Ford Motor Company; Forec Trading Inc.; Forte Cashmere Company, Inc.; Forte Lighting, Inc.; Foster Wheeler International; Foxboro Company; Frank L. Wells Company; Freeman International Inc.; Freeport-McMoRan Inc.; Frio Machine Inc.; GT Sales & Manufacturing Inc.; G.A. Germenian & Sons; Galamba Metals Inc.; Galt Sand Co.; Galveston-Houston Company; Gap, Inc., The; GEC Precision; Genencor International, Inc.; General Dynamics Corporation; General Electric Co.; General Motors Corporation; GENESCO, Inc.; George Giocher, Inc.; Gingles Department Stores; Global Construction; Global Group; Global Rug Corp.; Goodyear Tire and Rubber Company; Gordy International; Gottschalks, Inc.; Graham & James LLP; GRAND IMPORTS, INC.; Great American Fun Corp.; Great Eastern Mountain Investment Corp.; Great Plains Industries;

Great Plains Manufacturing; Great Plains Ventures, Inc.; Greater Hartford Chamber of Commerce; Greater North Fulton Chamber of Commerce; Greater Omaha Chamber of Commerce; Greater Pittsburgh Chamber of Commerce; Guardian Industries Corporation; Gulfstream Aerospace Corporation; Gund Inc.; Halliburton Company; Hallmark Cards, Inc.; Hallum Tooling Inc.; Harlow Aircraft Manufacturing; Harris Company, The; Harris Corporation; Harris Laboratories Inc.; Harry Sello & Associates; Harsco Corporation; Harvest States Cooperatives; Hasbro, Inc.; Hays Area Chamber of Commerce; Heart Care Corporation of America; HEICO Corporation; Henry Company; Hercules Incorporated; Hewlett-Packard Company; Hill and Knowlton Public Affairs Worldwide Co.; Hills & Company; Hills Pet Nutrition; Hoechst Celanese; Holland Pump & Equipment; Holland Pump MFG, Inc.; Holt Company The,; Homecrest, Inc.; Honeywell; HSQ Technology; Hub Tool & Supply Inc.; Hufcor, Inc.; Hughes Electronics Corporation; Hurd Millwork Company, Inc.; Hydril Company; IBM; IBM Greater China Group; IBP, Inc.; IES Industries Inc.;

IMC Global Inc.; IMC-Agrico Company; Imperial Toy Corporation; Indiana Agribusiness Assoc.'s; Infra-Metals Co.; Ingelbert S. Corp.; Ingersoll-Rand Co.; Interconnect Devices, Inc.; Interex Computer Products; International Development Planners; International Mass Retail Association; International Sea Star, Inc.; International Seaway Trading Corp.; International Trade Services; INTER-PACIFIC CORP.; Intertrade Ltd.; Iowa Beef Packers; Irving Shoes; Irwin Toy; ISCO, INC.; ITOCHU International Inc.; ITT Corporation; ITT Industries; J. Baker, Inc.; J.C. Penney Company, Inc.; J.H. Ham Engineering, Inc.; Jacobs Engineering Group Inc.; Janco Corporation; Janex Corporation; Japan & Orient Tours, Inc.; JBL International; Jerry Elsner Company, Inc.; JIMLAR CORPORATION; Johnson & Johnson; Johnson Worldwide Associates; Jolly U.S.A. Inc.; Jonathan Stone, Ltd.; J-TECH ASSOCIATES; Juice Tree Inc.; JuNo Ind Inc.; K Mart Corporation; K X Metal Inc.; Kalaty Rug Corporation; Kamen Wiping Materials Inc.; Kansas Association for Small Business;

Kansas City, KS Area Chamber of Commerce; Kansas Farm Bureau; Kansas Livestock Association; Kansas State Chamber of Commerce & Industry; Kansas State University; Kansas World Trade Center; Karman, Inc.; Kasper Machine Company; Kids International Corp.; Knitastiks; Koch Materials; Kohler Company; Koll Asia Pacific; KSK INTERNATIONAL; K-SWISS, INC.; L & M Enterprise; L & S Machine Co., Inc.; L D Supply Inc.; L.A. GEAR; LAIRD, LIMITED; Lampton Welding Supply Co., Inc.; Lane Piping & Equipment Company; Lear Corporation; Learjet; Learning Curve Toys; Leather Apparel Association; LeFebure; Leo A. Daly Company; Lewis Galoob Toys, Inc.; Liberty Classic, Inc.; Lillian Vernon Corp.; Limited, Inc., The; Lindsey Manufacturing Co.; Liquidynamics, Inc.; Litton Engineering Laboratories; Litton Systems & Guidance Control; Livernois Engineering; Liz Claiborne, Inc.; LJO, INC.; Local Knowledge; Lockheed Martin Corporation; Loctite Corporation; Lone Star Steel Company; Lorenzo, Inc.; Louis Dreyfus Corporation;

Lubbock Chamber of Commerce; Lucas-Milhaupt, Inc.; Lucent Technologies; Lyons Manufacturing Company; M.W. International, Inc.; Magnatek National Electric Coil; Mandarin Pacific Bridge; Manitowoc Equipment Works; Manley Toys USA Ltd.; Marcella Fine Rugs; Marjan International Corp.; Marriott Lodging, International; Mars, Incorporated; Martin-Decker/Totco Instrumentation, Incorporated; Masco Corporation; Matlack Systems, Inc.; Mattel, Inc.; May Company Stores, The; McClurkans; McDermott/Babcock & Wilcox; McDonald & Pelz; McDonald Construction Corporation; McDonnell Douglas Corporation; McGraw-Hill Companies, The; Mead Corporation; Melder International Trade Inc.; Meldisco; Memcon Corporation; MEPHISTO, INC.; MERCURY INTERNATIONAL; Meritus Industries Inc.; Mesa Laboratories, Inc.; Metal Forming Inc.; Metalcost Inc. of Florida; M-I Drilling Fluids L.L.C.; Michaelian & Kohlberg; Micro Motion, Inc.; MIDAMAR

CORPORATION, Mid-Central Manufacturing Inc.; Middle East Rug Corporation, Midland Chamber of Commerce; Midland Furnigant Company, Inc.; Midwest of Cannon Falls; Mighty Star, Inc.; Millers' National Federation.

Milling Precision Tool Inc.; Mine & Mill Supply Company; Mini-Mac Inc.; Mires Machine Company, Inc.; Mize & Company; Mizuno Corporation of America; Mobil Corporation; Momeni Inc.; Monsanto Company; Montgomery Ward & Co., Inc.; Morgan Stanley Group; Motorola; Mount Sopris Instruments; Moussa Etessami & Sons Corp.; Mulberry Motor Parts, Inc. (NAPA); Mulberry Phosphates, Inc.; Mulberry Railcar Repair Co.; Mustang International Groups Inc.; MWI Corporation; NAK, Corp.; National Association of Chain Drug Stores; National Association of Manufacturers; National Association of Purchasing Managers; National Barley Growers Association; National Broiler Council; National Corn Growers Association; National Cottonseed Products Association; National Council of Farmer Cooperatives; National Foreign Trade Council, Inc.; National Grain and Feed Association; National Grain Sorghum Producers; National Grain Trade Council; National Nuclear Corporation; National Oilseed Processors Association; National Plastics Color; National Retail Federation; National Sporting Goods Association; National Sunflower Association; National Turkey Federation; Natur's Way, Inc.; Natural Science Industries, Ltd.; Nazdar; Nebraska Corn Growers Association; Nebraska Farm Bureau Federation; Nebraska Soybean Association.

Nebraska Wheat Board; New Basics, Inc.; New England Securities; Nexus Corp.; NIKE, Inc.; Nikko America Inc.; Norand Corporation; Nordstrom Valves, Inc.; Norman Broadbent International, Inc.; Normart Enterprises, Inc.; NORTEL (Northern Telecom); North American Export Grain Association Incorporated; North Shore Chamber of Commerce; Northridge Travel Service; Northrop Grumman Corporation; Northwest Horticultural Council; Norton McNaughton; Notations, Inc.; NOURISON; Nylint Corp.; NYNEX Corporation; Ohio Art Company, The; Ohsman & Sons Company; Oil Capital Limited, Inc.; Oil States Industries Inc.; Oklahoma Fertilizer & Chemical Association; Oklahoma Grain & Feed Association; Oklahoma State Chamber of Commerce; OLEM SHOE CORP.; Orchid Holdings, L.P.; Orient Express Rug Co.; Oriental Rug Importers Association, Inc.; Overland Park Chamber of Commerce; Owens Corning; Pac Am International; Pacific Bridge, Inc.; Pacific Northwest Advisors; Pacific Rim Resources, Inc.; Pacific Tradelink Inc.; PAN PACIFIC DESIGNS; Panamax; Parisian, Inc.; Parker Majestic Inc.; Paul Harris Stores; Payless ShoeSource, Inc.

PC LTD.; PCS Phosphate—White Springs; PE/Koogler & Associates; Peebles, Inc.; Peninsular Group, The Pennfield Oil Company; Pepsico Food & Beverage Int'l.; Perigee Technical Services, Inc.; Petroleum Equipment Suppliers Association; Pfizer, Inc.; PhF Specialists Inc.; Philip Morris International; Phillips Petroleum Company; Phoenix Products Company, Inc.; Phoschem Supply Company; PIC'N PAY STORES, INC.; Pick Machinery; Pico Design, Inc.; Pioneer Balloon Company; Piscataway/Middlesex Area Chamber of Commerce; Pizza Hut; Plastic Fabricating Co., Inc.; Play-Tech, Inc.; Polaroid Corporation; Polk Equipment Company, Inc.; Polk Pump & Irrigation Co. Inc.; Porta-Kamp Manufacturing Co. Inc.; Portman Holdings; Power Link Inc.; PPG Industries, Inc.; Praxair, Inc.; Precision Manufacturing Inc.; Pressman Toys; PREUSSAG Int'l Steel Corp.; Price Waterhouse LLP; Processed Plastic Co.; Procter & Gamble; PROFESSIONAL Machine & Tool; PTX-Pentronix Inc.; Puritan-Bennett Aerospace Systems; Quality Petroleum Corporation; Quality Tech Metals; Quantum International; Racine Federated Inc.; RACKESdirect

Rail Safety Engineering; Rainbow Technologies; Rainfair, Inc.; Ralston Purina International; Rays Apparel, Inc.; Raytheon Aircraft Company; Raytheon Appliances, Inc. (Amana); Raytheon Company; Reebok International, Ltd.; Regal Plastics Company; Regent Intl. Corp; Reid & Priest LLP; Reliance Steel & Aluminum Co.; Renaissance Carpet; Revell-Monogram, Inc.; Reynold's Bros., Inc.; Richfield Hospitality Services, Inc.; Riggs Tool Company Inc.; RIGHT STUFF, THE; Robin International; Robinson Fans; Rockwell; Rohm and Haas Co.; Ross Engineering Corp.; ROTO-MIX; Rubbermaid Speciality Products, Inc.; Russ Berrie and Company, Inc.; RXL Pulitzer; Ryan International Airlines; S. Rothchild & Co., Inc.; S.R.M. Company, Inc.; Safari Ltd.; Salant Corporation; Salina Area Chamber of Commerce; SALLAND INDUSTRIES LTD; Samad Brothers, Inc.; Samsonite Corporation; Sand Livestock System, Inc.; Sansei Hawaii, Inc.; Santa Barbara International Film Fest; Sauder Custom Fabrication Inc.; SBC Communications Inc.; Scarbroughs; Scarlett/Dalil Fashions; Schering-Plough Corporation

Scienfic Design Company, Inc.; Scranton Corp.; Sea-Land Service, Inc.; Sears, Roebuck and Co.; Security DBS; SEEMA International, Ltd.; Semiconductor Industry Association; Shanghai Centre; Shanghai Industrial Consultants; SHONAC CORP.; Smith Bros. Oil Company; SmithKline Beecham; SMS Group Inc.; Snap-on Tools; Soilmoisture Equipment Corp.; Soleimani Rug Company; Southwest Paper Co., Inc.; Southwestern Bell; Sperry Sun Drilling Services; Spiegel, Inc.; SPM Flow Control; Standard Parts & Equipment; STRIDE RITE CORP., THE; Strombecker Corporation; Suman Technology International; Sundstrand Aerospace; Superior Coatings, Inc.; Sweeney; Sweepster Inc.; Symbios Logic; Tacoma-Pierce Co. Chamber of Commerce; Tai-Pan International, Inc.; Takenaka & Company; Tampa Armature Wks; Tampa Electric; Tampa Port Authority; Teck Soon Hong Trading Inc.; Tekra Corporation; Telecommunications Industry Association; Teledyne, Inc.; Tennessee Association of Business; Terra Industries Inc.; Texaco Inc.; Texas Instruments; Texas Pup, Inc.;

Textron Inc.; Thom McAn Shoe Company; Thomas H. Miner & Associates; Time Warner Inc.; Tomy America Inc.; TOPLINE CORPORATION, THE.; Toy Biz, Inc.; Toy Manufacturers of America. Inc.; Toys 'R' Us; TRADE WINDS.; Tradehome Shoe Stores. Inc.; Trans-Ocean Import Co., Inc.; Trans-Phos, Inc.; TRI-STAR APPAREL, INC.; Triumph Controls, Inc.; TRW Inc.; Tube Sales Inc.; Tuboscope Vetco International Inc.; Tucker Manufacturing Co., Inc.; Turner Electric Works; Tyco Preschool; Tyco Toys, Inc.; Tystar Corp.; U.S. Agri-Chemicals Corp.; U.S. Association of Importers of Textiles and Apparel; U.S. Canola Association; U.S. Chamber of Commerce; U.S. Council for International Business; U.S. Feed Grains Council; U.S. Sprint; U.S. Trading & Investment Company; Uneeda Doll Co. Ltd.; Union Camp Corporation; Union Carbide Corporation; Union Pacific Railroad; Unirex Inc.; Unison International; United Fresh Fruit & Vegetable Association; United Machine Co. Inc.; United Parcel Service; United Retail Group, Inc.; United States-China Business Council, The; United Technologies Corp.; USA Rice Federation; US-China Industrial Exchange, Inc.;

USX Engineers & Consultants, Inc.; Varian Associates; Vector Corporation; Venture Stores; VICPOINT (USA) LIMITED; Virginia Crop Production Association; VTech L.L.C.; Vulcan Chemicals; W.H. Smith Group (USA), Inc.; Waldor Products, Inc.; WAL-MART; Walnutron Industries, Inc.; Waltham West Suburban Chamber of Commerce; Warnaco; Warner-Lambert Company; Weatherford Enterra; Weaver Manufacturing Inc.; Weaver's Inc.; Web Systems. Inc.; Wellex Corporation; Western Atlas Inc.; Western Digital; Western Resources; Westinghouse Electric Corp.; WESTVACO CORPORATION; Weyerhaeuser Company; Whirlpool Corporation; Whittaker Corporation; Wichita Area Chamber of Commerce; Wichita Machine Products Inc.; Wichita State University; Wichita Tool; Wichita Wranglers; WiCON International Ltd.; Wilson The Leather Experts; Windmere Corporation; Wippette International Inc.; Wisconsin Agri-Service Assn, Inc.; Wisconsin Fertilizer & Chemical Association; WJS Inc.; Wm F. Hurst Co., Inc.; Wm Wrigley Jr. Company; Woodward-Clyde International; Woolworth; World Trade Center Denver; World Trade Center of New Orleans; World Trade Center, Sacramento; Worldports, Inc.; Xerox Corporation; Yuan & Associates; Zero Zone, Inc.; Zond Corporation;

Mr. CRANE. Mr. Speaker, I yield 1 minute to my distinguished colleague the gentleman from Illinois [Mr. EWING].

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

Mr. EWING. Mr. Speaker, I come here as a Representative of thousands of small people that the last speaker missed. Those people are the farmers of America to whom trade with China is extremely important. It is indeed the fastest growing market.

My colleagues may think that just serves American farmers. It does not. I firmly believe that when we are involved in China, we can improve conditions in China.

I also know when we are growing corn here in America to send to China, they are not pawing up sensitive, environmentally sensitive, land and putting it to production.

My colleagues, there are many good reasons why we need trade with China, and we must defeat this resolution. But it is good for jobs in America, it creates thousands of jobs in the heartland, it is good for our agricultural economy, it is good for our trade balance, it is good for the environment.

Vote ''no'' on this resolution.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I really appreciate my colleagues on the other side of this issue starting off by kind of putting on the table that China is a country that massacres its own people, that tortures its own people, that puts them in slave labor camps, that proliferates nuclear, chemical, and biological weapons. Put that all aside; this is a good deal for America.

Let us go to the good deal for American part.

We lose 700,000 jobs in our trade with China. It is a net loss of 700,000, a minimum.

Now let us take a look at specifics. I come from the State of Connecticut.

We used to have a city outside my district called the hardware capital of the country. They still call it Hardware City. Guess what? They do not make those products in New Britain any more. Why? Because somebody in New Britain wants a dollar for what a Chinese worker will do for 2 cents or gladly make in jail.

Remember the film with Harry Wu, when Harry asked the Chinese official, ''How do you maintain quality when you got workers in prison?''

The Chinese officials said, ''We beat them, we beat them.''

That is who my colleagues want to give MFN to, not a normal country with normal practices, a tyrannical power that oppresses its own people.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I stand her today to voice my opposition to the disapproval resolution for MFN. Once again, the House is going through it annual summer ritual of debating MFN for China. Each year this is a difficult decision for me. I decided last Congress that we should renew MFN and continue to pursue other course of action to improve human rights in China. I continue to believe at this time it would not be the right approach for the United States to revoke MFN for China.

The relationship between United States and China is complex and involves many issues: human rights and democracy, nonnproliferation, Taiwan, Tibet, trade and intellectual property rights. This relationship is very fragile and a balance needs to be struck. This relationship is like walking a tightrope. One missed step could throw the entire relationship off balance permanently.

A sound relationship with China is in our national interest. China is the world's largest country. Years ago, we tried to isolate China and that policy failed. We should not repeat mistakes of the past. Engagement with China is the best solution. We cannot isolate China. We need to continue engaging China in a dialog to promote our interests, especially human rights.

The behavior of China in the past few months has been far from exemplary. Human rights abuses continue. Commitments to intellectual property enforcement were broken. Aggressive military actions toward Taiwan occurred. Communist military, Chinese military industries attempted to sell AK–47 rifles to United States law enforcement officers conducting a sting operation. These are important issues that should be addressed in another manner than revoking MFN.

Revoking MFN would punish the United States more than it punishes China. Revoking MFN would harm our security, political and economic interests. American exports and jobs depend on decent relations with China. In 1995, $12 billion in exports to China supported 170,000 high-wage United States jobs. Many of China's most prominent dissidents including leaders of the pro-democracy movement at Tiananmen Square do no support revoking MFN for China.

Recent actions by China made many of us angry, but revoking MFN is a knee-jerk reaction which might provide instant gratification, but over the long run we would regret our actions. The repercussions of revoking MFN are great.

President Clinton stated:

> We have to see our relations with China within the broader context of our policies in the Asian Pacific region. I am determined to see that we maintain an active role in this region . . . I believe this is in the strategic interest, economic, and political interests of both the United States and China . . . I am persuaded that the best path for advancing freedom in China is for the United States to intensify and broaden its engagement with that nation.

I completely agree with the President's statement, United States interests are best served by a secure, stable, open and prosperous China. We need to encourage China to embrace international trade and proliferation rules. We need to pursue improving human rights through diplomatic contacts and with the assistance of the United Nations Human Rights Commission. The Clinton administration issued voluntary principles for the conduct of American business globally, including those conducting business in China. The Clinton administration has pressed for the release of political dissidents and religious prisoners. These are the type of actions we need to be taking.

We need to improve our relationship with China. Complex areas of the United States-China relationship can and should be addressed. House Joint Resolution 461 offered by Mr. COX provides an opportunity for these issues to be addressed by the House. Revoking MFN would make this impossible. Engagements is our best approach.

Mr. Speaker, these are issues that cannot be swept under the rug, but the question is how best to resolve them, how best to speak to them, and that is to engage the Chinese.

□ 1430

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BURTON], a champion of liberty.

Mr. BURTON of Indiana. I thank the gentleman for yielding time to me.

Mr. Speaker, I would just like say to my colleague who just spoke, he made my case. He made my case. They thumb their nose at the rest of the world. They sell chemical biological weapons to the rest of the world, they sell military equipment to street gangs in the United States of America. They violate the security of Taiwan by trying to interfere in their elective process, by starting war games.

There are 10 million people, count them, 10 million people in Communist gulags that are slave laborers, that are making products they are selling to the rest of the world, and we are concerned about the almighty dollar to such a degree that we say, oh, we are not going to pay any attention, we are going to grant them MFN.

Mr. Speaker, we need to send Communist China a message and let the rest of the world know very clearly that those kinds of actions will not be tolerated by this country. If they want to do business with the free world, they have to act like a democratic society.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to my colleague and neighbor, the gentleman from Illinois [Mr. MANZULLO].

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

Mr. MANZULLO. Mr. Speaker, every day millions of Americans get up, pack their lunch, send their kids off to school, and go to work. Denying normal trade relations with China hurts these families. These Americans have no idea the products they make end up in China. Denying normal trade status for China jeopardizes the long-term survivability of these high-paying jobs.

For example, in addition to 600 Neons shipped directly from Belvidere, IL, to China, Chrysler Corp. purchased $1.3 million in parts from six automotive parts makers spread throughout the 16th District of Illinois to supply their Jeep plant in Beijing.

Sunstrand Corp. and Woodward Governor sell industrial and aerospace products to China. Ingersoll Milling Machine of Rockford sells electrical generating machines to China worth $3.5 million. Honeywell in Freeport expects to sell 5 percent of their total production to China by the year 2004. Motorola of Schaumburg sold roughly 1.2 billion dollars' worth of goods to China in 1994. They are building a factory in the district I represent that will employ 5,000 new people making cellular phones to ship to China.

It is not just large companies. RD Systems of Roscoe landed a $1.7 million contract to build four machines for a Chinese manufacturer of cell phone batteries. That is 30 percent of the business for a company with only 30 employees. The list goes on. T.C. Industries of Crystal Lake supplies blade tips to Caterpillar.

Mr. Speaker, MFN for China means jobs for America.

Mr. Speaker, every day millions of Americans get up, pack their lunch, send their kids off to school, and go to work. Denying normal trade relations with China hurts these families. These Americans are forgotten in this debate. They have no idea that the products they make end up in China. Denying normal trade status for China jeopardizes the long-term survivability of their high-paying jobs.

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Motorola of Schaumburg sold roughly 1.2 billion dollars' worth of goods to China in 1995. Their rapid expansion in Asia is one reason why Motorola is building a 5,000 employee factory in Harvard, IL, to manufacture cellular telephones for the iridium system.

And, it's not just large businesses. RD Systems of Roscoe landed a $1.7 million contract to build four machines for a Chinese manufacturer of cell phone batteries, representing one-third of the total annual sales for their 30 employee company.

T.C. Industries of Crystal Lake supplies blade tips to Caterpillar tractor, which has a vast interest in China. Clarcor of Rockford has a joint venture in China to manufacture heavy duty engine filters for heavy equipment. Reed-Chatwood sells textile machinery directly from Rockford to China.

And Illinois farmers are jumping at the opportunity to sell agriculture products to China. In 1995, United States agricultural sales to China doubled from the previous year to $2.6 billion.

It is expected that China will account for 37 percent of the future growth in United States exports. Thus, trade with China is a cornerstone for resolving the most pressing problem in the minds of the forgotten American—stagnant wages and job growth.

Mr. STARK. Mr. Speaker, I am happy to yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

Mr. BUNNING of Kentucky. Mr. Speaker, I also yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from South Carolina [Mr. SPRATT] is recognized for 2 minutes.

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

Mr. SPRATT. Mr. Speaker, I oppose most-favored-nation status for China. It is not in the best interests of China, not its people nor its despotic rulers, not in the best interests of the United States.

I oppose MFN for China for three reasons. First, China has no sense of trade reciprocity. It accounts for the second largest share of the U.S. trade deficit, the largest export of textiles and apparel to the United States. But what did China do with its $34 billion surplus last year? They used our $34 billion of hard currency to buy capital and consumer goods from Europe and Japan and the rest of Asia, not from the United States.

No country enjoys more open access to our textile and clothing markets than Japan, than China, and last year they sold us $9 billion in clothing and fabrics. Despite this liberal access to our markets, they egregiously cheated. They mislabeled and transshipped up to $44 billion in goods through other countries in order to avoid our quotas. By voting against MFN, we are telling China that we do not favor countries that flout the rules of fair trade with us.

Second, China denies its people the human rights which we regard as fundamental to a civilized society. We have a moral role here, to say to China: You have to pay a price for treating your people so oppressively.

Third, China brazenly sells nuclear and missile technology to non-nuclear nations. They know they are in violation of the law. There is ample evidence that the PRC has helped nations such as Pakistan and Iran develop weapons of mass destruction.

I know that many countries enjoy MFN status, so many that it means a lot less than the name implies, but I take the name literally. I bristle at the notion of calling a country like China, guilty of abuses we all acknowledge, a most favored nation.

Mr. Speaker, I realize this resolution is likely not to pass, but by voting for it we can send a stern message to China and we can stiffen the resolve of our administration to resist China's accession to the World Trade Organization without major reforms in the way China deals with its own people, its neighbors like Taiwan, and its trading partners.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. DOOLEY].

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

Mr. DOOLEY. Mr. Speaker, I rise today to express my support for continued normal trade relationships with China. I have been amazed by some of the comments by some of the opponents of China MFN. One speaker earlier said that granting China MFN poses a threat to the industrialized world. What nonsense. The truest threat to the industrialized world is in fact to adopt the trade policies of the opponents of China MFN. The truest threat to the industrialized country of the United States, the truest threat to the jobs which are so dependent on international trade in the United States, is once again to adopt a trade policy that builds walls around this country.

History has taught us that improving the human condition of people, enhancing the human freedoms of people, is best achieved by improving the economic condition of people. That is what we are doing by maintaining normal trade relations with China. China represents a great potential market for United States exports. China has 1.2 billion consumers who are living in a country that has experienced a GDP growth rate of 10 percent over the last 4 years. It is the United States who is accessing a lot of that increased market share. We have seen a rise of over 200 percent in the United States exports of telecommunications equipment to China. As a representative of one of the major agricultural regions in the country, I can state that we are benefiting greatly in the agriculture sector. We have seen it increase 175 percent of United States agriculture sales to China. China MFN is good economic policy for this country, and is in the best interests of the Chinese people.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. COX].

Mr. ROHRABACHER. Mr. Speaker, I yield an additional 2 minutes to my colleague, the gentleman from California [Mr. COX], who is on the short list for Vice President.

The SPEAKER pro tempore. The gentleman from California [Mr. COX] is recognized for 3½ minutes.

Mr. COX of California. Mr. Speaker, I thank both of my colleagues for yielding time to me.

Mr. Speaker, much of the debate has centered around whether most-favored-nation trade status is capable of addressing issues beyond trade. The implicit notion is that once we stop talking about things like theft of intellectual property, once we stop talking about facts, such as that the average tariff levels on United States goods maintained by Communist China are more than 15 times higher than United States tariffs on Communist Chinese imports to our country, that we have gone beyond trade qua trade, that we therefore have extended into the realm of something else; perhaps national security, perhaps international relations, but surely not MFN.

Mr. Speaker, it is true that we do have a great deal of concern with China's policies that apparently deal not with trade but other things, like the torture of religious figures. Chen Zhuman was hung upside down in a window frame as his personal torture. The brutal occupation of Tibet is not apparently about trade. The fact that Communist China is a one-party state which is capable of imprisoning for 28 years now a democracy activist like Wei Jing Sheng is not, I suppose, technically about trade.

Maybe even the Laogai forced labor camp system, the Chinese gulag that comprises over 3,000 such camps, maybe that is not technically about trade. Maybe the live shelling of Taiwan's shipping lanes earlier this year when Communist China sought to intimidate the nascent democracy on Taiwan, which was then holding the first Presidential election, democratic Presidential election, not only in Taiwan's history but in 4,000 years of Chinese history, maybe that was not exactly about trade.

Maybe even the sale of M–11 missiles illicitly, capable of delivering unclear warheads, to Pakistan, or the sale to the same country of ring magents for the purposes of enriching uranium, or of selling the ingredients for chemical weapons to Iran, maybe that is not trade, although clearly it is trade in illicit arms.

But in fact, Mr. Speaker, we are not talking about trade in the usual sense. We think of trade as independent commercial entities acting with a profit motive and responding to market forces. The People's Liberation Army is not such an independent entity, but the People's Liberation Army is engaged in trade. How much? The People's Liberation Army controls, according to not just the China Business Review, which printed this, but the Defense Intelligence Agency of our country, over 50,000 companies, commercial fronts generating moneys for the largest armed forces on Earth. They are into pharmaceuticals, real estate, bicycles, cleaning supplies. When we trade with these entities, we are in fact benefiting the very Peoples Liberation Army that is responsible for the internal oppression and the external proliferation of nuclear and chemical weapons.

This is not trade, it is not commercial activity. It is off-budget financing for the Peoples Liberation Army. So MFN is not just about trade, either. It is about financing communism. Let us stop pretending otherwise.

Mr. ROHRABACHER. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Arizona, Mr. MATT SALMON, the only colleague in this body who is fluent in Mandarin Chinese and who did 2 years of missionary work in China before coming here.

Mr. SALMON. Mr. Speaker, I do not think this phrase was ever more appropriate than it is now: So much to say, so little time. This is probably the most gut-wrenching issue that I have faced since I have been in Congress just a short tenure of almost 2 years.

When I served a mission in Taiwan from 1977 to 1979, I got to know and to love the Chinese people deeply. I got to know several people who had escaped from China and escaped the persecution there several decades ago. When the Chinese started launching missiles in the Taiwan Strait earlier this year, there was nobody in this Congress that was more angry than me, that wanted to stand by Taiwan's side more than me, because I have loved ones and friends there that I was deeply concerned about and fearful for their lives.

Clearly, the impassioned messages against human suffering and misery are heartfelt and sincere, and the leaders in the opposition to MFN, the gentleman from California, DANA ROHRABACHER, the gentlewoman from California, NANCY PELOSI, the gentleman from New York, JERRY SOLOMON, and on and on, they really care deeply about the issues they talk about. Nobody will question that. We all want the evil to stop.

But let us not confuse our tactics with our objectives. It is for precisely the same reasons that they care about these issues that we have to preserve MFN. Let us think about it. If we cut off MFN, what is the next likely thing that will happen? Trade relations will deteriorate. We will have trade wars. Diplomatic ties are severed. What is the end result? A cold war. Then what kind of influence do we have? Do we think those countries like France, Germany, Japan, that will jump in and fill that niche, do we think they will be raising those objectives, those issues? They never have before.

If we really care about the human suffering and misery, we will continue engagement. But we are not silent about the things we care so deeply about. Let us continue to use every other sanction we possibly can. Let us continue to look for other opportunities, but let us not completely take ourselves away from the table. Let us be smart about this.

That is why the people that really understand this, people like Martin Li, are saying we have to keep it. Talk to the people who have much more of an axe to grind than we do. We are righteously indignant about what is happening there, rightly so, but how about the people who stand to lose a lot more, their lives and freedom and everything they hold dearly? What about people like Martin Li, who have led the opposition to the violation of human rights in Hong Kong, and who was the father of the Bill of Rights for Hong Kong? He wrote us a letter yesterday and said the absolute worst thing we could do would be to revoke MFN.

□ 1445

Listen to what the dissidents said, listen to what people like Teng-hui Li, the President of Taiwan said; he has more of a stake in this than anybody. It would be foolish to revoke MFN. It will hurt the things that we care about.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Speaker, we are going to hear a lot of speeches about why we should not have trade relations, MFN with China because of the poor relations on trade where we would lose $34 billion a year in terms of trade revenues.

On proliferation, on the idea that the Chinese are out selling weapons of nuclear destruction, of mass destruction to enemies of this country such as Iran where we see them selling nuclear technology to the Pakistanis. We are going to hear arguments about human rights in China and about the denial of the ability of individuals to stand up for freedom in that country.

However, I do not think that this is an issue about just China. I think that this is an issue about the United States of America. It is an issue that allows the people of this Chamber to stand up and talk freely about the issues that we are concerned about, and it is about the fact that this country has been the leader of the free world. Yes, other countries will move in and try to take advantage of this country's stand for those principles of freedom.

The truth of the matter is that, if the Germans and the Japanese or other countries want to move in and take advantage, I say that the people of the world will recognize the leadership, the fundamental moral leadership that this country stands for. As a result of that, as a result of what this country means to people throughout the rest of the world, this country will continue to be able to thrive economically and socially.

We should not abandon the principles that let blood of our brothers and sisters and our parents bleed on the face of this planet because the principles of democracy go by the wayside for the principles of the almighty dollar and Chinese trade.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

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

Mr. ROEMER. Mr. Speaker, I rise in strong support of MFN for China. Changing China's human rights policy is going to be like turning a blimp around in an alley. It is going to be very difficult, very slow, very painful. The process is going to take idealism and commitment to human rights. It is not going to be done by the Japanese; it is not going to be done by the South Koreans or the Europeans. It is going to be done by the United States of America. We have that commitment. We have those beliefs. We can help in small ways change the policy in China.

Now, what is the cost if we do not do this? What is the cost if we do not do this in the best economic interests of the United States? The cost is probably, one, China starts to build on their already biggest standing army in the world; there is more volatility in this region of the world; the United States spends more and more on our defense. We lose jobs in this country, the deficit continues to go up. There is a real cost for the United States not to do this.

What do some people say about the answer? Pat Buchanan says, let us build walls. Not a Great Wall in China, let us build walls across the United States so that Indiana can trade with Arizona.

I say to the people of this body, that is not the answer. If we believe in the American dream, if we believe we have the best workers, if we believe we make the best products, if we believe we stand up for human rights, do what is right, not for the Chinese, do what is right for America and support MFN.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. LIGHTFOOT].

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

Mr. LIGHTFOOT. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in opposition to the resolution of disapproval.

Mr. Speaker, all of us share the same fundamental goals with respect to China. We all want to see China develop not only as an economic force,

but also evolve in its views on human rights and the value of free and open democratic government. We just need to pursue these goals in the ways most likely to produce success.

And although I agree that China has pursued policies which are not in the best interests of the United States and other Pacific Rim nations, we must ask ourselves: does the proposed policy, to revoke China's trade status, the correct policy prescription?

While it may feel good in the short term to try to force China to change; ultimately it is counterproductive. Revoking normal trade relations, or MFN, would merely kick the legs out from under those in China we seek to support, the hard reality is that revoking China's trade status is unlikely to mitigate China's behavior and will harm American businesses as they are replaced in China by other companies.

The best way for us to encourage democratization, free enterprise, and respect for human rights, is by maintaining as close contact with the Chinese as possible. A policy of engagement helps maintain a constructive environment within which to influence Chinese policy.

It would also be damaging here at home. The State of Iowa—as with many others—exports billions of dollars worth of products to China each year. Even more is sent to China through Hong Kong. China is also projected as one of the most important growth markets for U.S. agriculture.

Mr. Speaker, I urge all Members to take the responsible, constructive approach today for the United States and China, for the advancement of democracy and human rights, and for our constituents.

Please vote down this resolution.

Mr. STARK. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, when the House considered most-favored-nation status for China last year, supporters of cutting off MFN privileges were told over and over again, be patient, that things in China would get better if we were just patient. Basically we were urged to adopt a wait-until-next-year philosophy, familiar to fans of losing sports teams everywhere.

Wait until next year, we were told, and China will stop selling nuclear weapon-related equipment to the world's troublemakers. Wait until next year and China will stop choking off America's imports and running up a massive trade deficit. Wait until next year and China will stop prosecuting and persecuting its own people.

Well, Mr. Speaker, next year has arrived, and China has not only failed to improve its nonproliferation trade and human rights record, but the Chinese behavior in each one of these areas has deteriorated since last year.

First is nuclear weapons proliferation. Earlier this year the CIA confirmed that China sold to Pakistan nuclear-capable M–11 missiles and equipment which is important in the production of nuclear weapons. Over the last decade it has been demonstrated that China has a nuclear rap sheet as long as our arms. Let us not kid ourselves about their attitude about selling nuclear weapons-related materials into the global economy. China has sold cruise missiles to Iran and is cooperating with the Iranians on their civilian nuclear programs which our arms control and disarmament agency believes is just a cover for Iran's efforts to develop nuclear weapons.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. speaker, there are deeply felt reasons to vote for this disapproval resolution. Issues of human rights, issues, for example, and important ones of trade. China presents vital questions on how America competes with a low-wage economy. But I have asked myself, where would a vote for disapproval lead?

First of all, it would be vetoed. Second, even more importantly, even if it were to become law, what would we do next? What issues would we negotiate with the Chinese? What would our demands on each of these issues be? What would we settle for?

In a word, I have concluded we need a policy, not a protest. We need to go beyond an annual skirmish over an action we are unlikely to take. We need to do the difficult work of hammering out a year-round policy, and Congress needs to participate. We have to engage ourselves, which we have not done, year round. We have to engage our legislative counterparts in Asia and in Europe. We need to have an active role in the question of China's accession to the World Trade Organization, and we in this country need to develop allies in Europe and Asia so we simply do not go it alone on all of these issues.

The administration deserves credit for its recent success in the issue of intellectual property piracy, and I favor the use of sanctions against China. But it is time for all of us in both the Government and the private sector to put these endeavors in the context of a larger long-range blueprint. I want not a message but a program. I am going to vote against disapproval.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. OXLEY].

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

Mr. OXLEY. Mr. Speaker, I rise in support of the engagement with China and against the resolution of disapproval.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague the gentleman from Texas [Mr. FIELDS].

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Speaker, as the chairman of the Subcommittee on Telecommunications and Finance of the Committee on Commerce in this Congress, the person charged with developing and promoting telecommunication policy in this country, I rise in strong support of most-favored-nation trading status for China.

I have been to China on four occasions. Each time I have seen significant and positive change. I believe that our positive engagement in the business sector is enhancing this positive change. This change is occurring because we have been a friend and not just strictly a critic.

When I was there in April, Vice Premier Li-teh Hsu said American telecommunications companies are late, and he paraphrased a Chinese proverb saying sometimes those who are late actually do better.

Mr. Speaker, we will do better with telecommunication trade and, with that, we will have a more positive engagement with the Chinese. Trade is positive, information technology is liberating. I urge my colleagues to support most favored trading status for the Chinese.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

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

Mr. Speaker, my colleagues who support extending most-favored-nation status to China claim that the importance of trade should be the only issue considered.

While I would also look at the murder of 1 million Tibetans, the selling of missile technology to rogue nations, the human rights atrocities committed against Chinese citizens, and the military intimidation of Taiwan, I will only discuss trade-related reasons why we should not extend MFN.

First and foremost, MFN for China isn't working. In 1995 our worldwide trade deficit was $111 billion. Almost one-third of this amount was our growing deficit with China. In addition, they are notorious for printing American intellectual property. Last year United States companies lost $2.4 billion because China refused to enforce its intellectual property laws.

Mr. Speaker, China's crimes against humanity and against America's business interests can no longer be tolerated.

China does not deserve, and has not earned most-favored-nation status.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from Oregon [Mr. BLUMENAUER].

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

Mr. BLUMENAUER. Mr. Speaker, I find myself in significant agreement with the distinguished gentleman from Michigan [Mr. LEVIN]. This is a confused and misleading concept, MFN. It certainly implies no approval; otherwise, we would not have extended it to

184 nations, including such paragons of virtue as Syria and Burma.

It is true that this is an important economic relationship to my State of Oregon. It means thousands of jobs in areas like technology and agriculture. But I do view China as being a threat to the world, primarily in a war on our environment, a war on the environment that frankly we in Oregon and in this country are poised to help the Chinese wage to protect it by the sale of products and services.

□ 1500

Mr. Speaker, 33,652 Americans lost their lives in the Korean war in no small measure because we misjudged the Chinese and their intentions.

I cannot agree more strongly with the gentleman from Michigan's hope that this is the last year we go through this exercise, and instead we work to manage our relationship with the world's most populous nation in a thoughtful and constructive fashion. The disapproval of this resolution and the continuation of MFN is an important step in that direction.

The SPEAKER pro tempore. The Chair would advise Members that the gentleman from Illinois [Mr. CRANE] has 8½ minutes remaining; the gentleman from Florida [Mr. GIBBONS] has 8½ minutes remaining; the gentleman from Kentucky [Mr. BUNNING] has no time remaining; the gentleman from California [Mr. ROHRABACHER] has 2 minutes remaining; and the gentleman from California [Mr. STARK] has 6½ minutes remaining.

To close, so Members will know, the gentleman from California [Mr. ROHRABACHER] will begin, followed by the gentleman from Florida [Mr. GIBBONS], followed by the gentleman from California [Mr. STARK], and the chairman of the committee or his designee will have the final close.

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, after a great deal of thought I have come to the conclusion that today I will oppose the extension of China's current most-favored-nation trading status.

Fundamentally, I do believe that trade with China helps encourage private enterprise there, providing the citizens of China with a level of financial independence that lessens the power of their government. Ultimately, there is an effective argument to be made that it is trade and other contact with the outside world, rather than seclusion, that will propel China toward the freedoms and observance of international law that we all support.

In that light, I would frankly have preferred to support strong but targeted sanctions against China, as opposed to denying most-favored-nation status. For example, H.R. 3684, a bill introduced by Representative GILMAN to disallow the importation of products made by the People's Liberation Army, makes a great deal of sense to me. The PLA operates much of China's industrial capacity, and H.R. 3684, which I have cosponsored, represents strong and appropriate punishment.

Unfortunately, we will not have the opportunity to vote on H.R. 3684 or similar legislation today. This is very troubling to me, because I have become so concerned about many of the Chinese Government's practices that I can no longer look the other way when they pursue unacceptable behavior.

This behavior includes China's weapons sales, including the sale of nuclear technologies, to rogue regimes in clear violation of China's international commitments; its gross violations of human rights, including the brutal practices it has pursued in Tibet, the detention or pro-democracy activists and imposition of forced labor upon them in its prison system, and coercive abortion policies; its repeated violations of intellectual property agreements; its belligerent and indefensible actions toward Taiwan; and most recently, the illicit sale of Chinese weapons in our country.

Last year I supported passage of H.R. 2058, which put China on notice that the Congress could not countenance continued misbehavior on China's part. In so doing, we gave China the opportunity to correct its unacceptable practices. Nothing, however, has changed, and in fact, an argument can be made that China's misdeeds have gotten more severe.

Under the circumstances, I think a strong message must be sent today. The targeted sanctions that I would most prefer are not an option available to the Congress today. Accordingly, I will oppose MFN this afternoon.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. MENENDEZ].

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

Mr. MENENDEZ. Mr. Speaker, this debate is not just about human rights in China, it is also about jobs in America and the conditions under which the United States does business with the undemocratic nations of the world. After a decade of engagement with China, what do we have to show for it?—forced abortions, human rights violations, flouting of our intellectual property rights, violation of nuclear nonproliferation accords * * * the list goes on and on.

MFN is about trade and jobs. Whose jobs? Over one-third of China's exports are sold in the United States, but only 2 percent of United States exports are sold in China. Our trade deficit is now at $34 billion. Why? Because China does not reciprocate the trade benefits we grant to them with MFN. It continues to issue high tariffs and nontariff barriers, and insists on production and technology transfer—all of which hurt American jobs.

There are only four tools of peaceful diplomacy available to us: providing U.S. aid, opening U.S. trade, international opinion, and denying U.S. aid and trade. We have tried the first three, and yet, China is resilient to change. The time has come to do the right thing. The only thing this regime understands is power. We have great power—the power of the American purse.

I urge my colleagues to disapprove MFN for China. Let's send a clear and unmistakable message to the Chinese leadership—the United States will not stand for discriminatory and predatory trading practices. We will not stand for violations of international agreements. Most important, we will not stand idly by while people are exploited. We will stand up for human rights, freedom, and democracy.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I take second to no one in this Chamber in my concern for human rights and the feeling that many of the abuses in China are as abysmal, as threatening to the human condition as events happening anywhere in the world at any time.

I also will take second to no one in my concern about what the Chinese are doing to the island of Taiwan in terms of their missile launches over the straits of China prior to the election, a clear violation of international law. I was supportive, along with most Members of this body, in terms of trying to prevent that activity.

Even with those statements, we as this Congress have a choice of how to try to change those policies. It really is a choice of one or two things. We have a choice of engagement, of normal trading relations. As has been pointed out on this floor, trading relations, that we trade with rogue nations, nations whose human rights conditions are on par with China, whether it is Syria or Burma or Indonesia. We can find abuses in many locations around the world that we, in fact, grant what is inappropriately described as most-favored-nation status.

We have that choice before us today, whether we want to engage China or whether we want to isolate China. Unfortunately, I think history tells us that by isolation the results of the change in human rights and other things will not occur. I urge the defeat of the resolution.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Kansas [Mr. BROWNBACK].

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

Mr. BROWNBACK. Mr. Speaker, there are people with pure motives and different ideas on both sides of this issue. However, I rise in opposition to the resolution of disapproval.

I have worked in the trade field before, and I can tell my colleagues that this is not the way to improve our

trade imbalance and it is not the way for use to try to change China. MFN, as we have heard time and again, is the basis for trade. It allows our companies, our farmers, our businesses, our people to be able to engage and build long-term relationships with China. That is what MFN is allowing us to be able to do.

If we are worried about the trade imbalance, we should force them to lower their tariffs and open their borders through other trade negotiations or as they seek to join the World Trade Organization, and force them to abide by international trade rules. If we are worried about human rights, as all of us are, we should keep engaged and encourage them through that engagement to do the right thing as they grow as a country, and not go in an isolationist mode.

For those reasons I urge disapproval of the resolution.

Mr. STARK. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, supporters or MFN for China are trying to portray this debate in very simple terms: Are you for or are you against free trade?

That, I might say, is a false choice. This debate is not about free trade. It is about fair trade. It is about whether or not we are going to use the leverage we have as a nation to open up markets in a way that is fair to American workers and fair to American jobs.

Supporters of MFN for China are asking American workers to compete not on the quality of the products we trade with China but in many ways on the misery and suffering of the people who make them.

Henry Ford was right. If you want to sell products, you have to pay people enough so that they can buy the products that they make. Seventeen cents an hour is no way to build a trade relationship. If we continue to turn our backs on the abuses in China today, the China market will never live up to its potential as a American trading partner.

Free trade does not exist in this kind of world, and protectionism offers us no solution either. We have got to be able to find a middle ground that promotes our values at the same time that it promotes our products.

Today we are running a $34 billion trade deficit with China. China accepts just 2 percent of United States exports and routinely puts tariffs of 30 to 40 percent on our products.

Let us not kid ourselves. China needs America's markets. We always seem to underrate our potential as a market in our trading relationships. Not only are we one-third of China's export market, we buy more products from China than anyone else.

We must let China know that MFN is not a gift to be awarded. It is a privilege that must be earned. China has not earned the right to receive special treatment from the United States.

Let us work together to find a middle ground but let us not pretend that countries like China, who control their own markets, who ravage their environment, who abuse their workers and who ignore international calls for human rights practice free trade. Because we all know, there is nothing free about it.

I urge my colleagues, insist on freedom, insist on democracy, insist on human rights, insist on fair trade, and support my colleagues, the gentlewoman from California [Ms. PELOSI], the gentleman from Virginia [Mr. WOLF], the gentleman from California [Mr. ROHRABACHER], and others, who have stood up on this floor and urged us as country to engage in free trade and fair trade.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I have very, very respected colleagues on both sides of this issue. I am certain that there might be questions about why I would stand here firmly in support of MFN. I ask my colleagues to oppose the resolution before us.

Many Members of the House are concerned about the human rights record of the People's Republic of China, and rightfully so. Clearly I have many concerns about human rights. The questions for those of us with these concerns is how can we improve the situation in China?

Mr. Speaker, I believe that a policy of engagement in China gives us the best opportunity to influence the Chinese Government and the Chinese people in a positive manner. Ideals of freedom will be experienced by the common man in China. Free trade encourages interaction between the Americans doing business in China and their Chinese counterparts. Additionally free trade with China will allow the average Chinese citizen to develop more of his or her own wealth, and the accumulation of personal wealth is the only way people can be independent. An improved standard of living in China will encourage free market principles in that nation and will assist the citizens of China in their effort to gain more freedom.

JUNE 24, 1996.

Representative EDDIE BERNICE JOHNSON,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE JOHNSON: I write to thank you for your support of President Clinton's decision to renew MFN for China this year. On my recent trip to Washington, I met with a number of your congressional colleagues to explain the threats to democratic institutions, human rights and the rule of law in Hong Kong and to urge them not to unintentionally compound the difficulties for Hong Kong in their efforts to punish China for failure to adhere to international norms in a wide range of areas, particularly human rights.

I am grateful to Congress for its continued interest in Hong Kong and for the deep concern members have expressed about human rights violations in China. I too have serious concerns about the human rights situation in China and the prospects for safeguarding human rights in Hong Kong after 1997. However, as an elected representative of Hong Kong people, I cannot ignore the damage to Hong Kong that will occur if China's MFN status is not renewed. Because the United States and China are our two largest trading partners, disruptions in trade have a direct impact on Hong Kong's own economy. In the best of times it would be difficult to ride out the storm of a trade dispute between our two largest trading partners, but with the transfer of sovereignty barely a year away, the revocation of China's MFN status would deal an even more serious blow to our economy.

Many of Hong Kong's friends in the international community are gravely concerned about China's recent decisions to abolish Hong Kong's elected legislature and replace it with an appointed one, to effectively repeal Hong Kong's Bill of Rights and to erode the independence of our judiciary and civil service. Indeed, many who wish to help Hong Kong by promising China through MFN, were unaware of the devastating effect non-renewal of MFN would have on Hong Kong's economy—at a time when confidence in Hong Kong is already badly shaken.

When explaining the effect of non-renewal of China's MFN status on Hong Kong, I often give the example of a father beating a child. Your first instinct may be to stop such brutality by punching the father in the nose. But when you approach, the child stands in the way, defending father. Do you knock over the child to teach the father a lesson? Hong Kong is like that child. Revoking MFN would hit Hong Kong first—and badly. At a time when Hong Kong people could least recover from such a blow.

As you and your congressional colleagues debate China's MFN status in Congress, I hope you will take Hong Kong into account. I thank you once again for your consideration and continuing support for Hong Kong.

Sincerely yours,

MARTIN LEE,
Chairman, The Democratic Party.

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

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

Mr. GIBBONS. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, I have sat here patiently and attentively and listened to this discussion today and I frankly have heard nothing new.

I went to China in the 1970's. I was shocked at what I saw, appalled, and knew it would be extremely difficult to ever integrate China into the world community of nations. I do not condone anything that is going on in China today that has been pointed out here as being shocking to my sensibilities and to my sense of fair trade. But I do say we have made progress and we will continue to make progress unless we make the mistakes we have made in the past again.

China came out of 100 years of degradation at the hand of the Europeans or the Japanese. About 50 years ago here in this body, we began to isolate ourselves from the Chinese who wanted to be friends of ours and wanted to work with us. What has been the result of all of that? China turned inward. China became a very mean nation. China doubled its population in that period of time.

□ 1515

China, frankly, educated all its people in what I would think are hostile environments of the USSR and of Eastern Europe. They escaped all of the better things that we think they would have gotten from our civilization had we stayed engaged with them.

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

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

Mr. Speaker, the Chinese dictatorship knows that it is getting a $35 billion net surplus from their current trade relationship with the United States. That is $35 billion worth of jobs that they have got here that we do not have because they have got it over there. They know that they have got that $35 billion surplus because they flood our markets with all kinds of goods, putting our people out of work because we charge them a 2-percent tariff under the current rules of trade and they charge our products a 30 and 35-percent tariff as we send our goods over there. Thus, our people lose their jobs and they gain $35 billion to build their military to repress their people.

This current trading relationship is a sham. It is not to the benefit of the United States of America. Do not expect those bloody-fisted tyrants in Beijing to listen to us about human rights or listen to us about not threatening their neighbors if we do not have the guts to change that relationship that puts $35 billion of hard currency in their pockets.

Mr. STARK. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, we are going to lose the vote, but to those Members who are going to give MFN to China, do what our colleagues say: Be engaged. Be engaged. When the Christians are arrested next week and all this next year, be engaged. When they come into town, meet with them. When the human rights groups come here, be engaged, meet with them. When the business community does nothing, speak out, send Dear Colleague letters. All I see is a handful of Dear Colleague letters. Be engaged all year. Do not just be engaged for 2 weeks up to the vote. Be engaged all year. If we vote to give the evil group of people MFN and our colleagues are going to win, then do what the Members said all during this debate. Be engaged. Meet with the Catholic church. Meet with the Tibetans. Meet with the human rights people. Meet with Asia Watch, meet with Amnesty International. Prod the business community. Do not be afraid to criticize a business group in your area. Speak out.

Our colleagues are going to win. I just want to know that they are going to be engaged, they are going to do everything they said. Be engaged all year, not just for 2 weeks before the vote.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DREIER].

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

Mr. DREIER. Mr. Speaker, Thomas Jefferson said, two thinking individuals can be given the exact same set of facts and draw different conclusions.

I would like to say that I have very high regard, of course, for my full committee chairman, the gentleman from New York, Mr. SOLOMON, and for the gentlewoman from California, Mrs. PELOSI, and the gentleman from California, Mr. STARK, and others and, of course, the gentleman from California, DANA ROHRABACHER, and the gentleman from California, CHRIS COX, and those who have opposed this. I have to say that it has been great to work in a bipartisan way with my very good friend, the gentleman from California, BOB MATSUI, and the gentlewoman from Texas, EDDIE BERNICE JOHNSON, and the gentleman from Indiana, TIM ROEMER, and others and, of course, with the gentleman from Illinois, Chairman CRANE, who has done a great job on this. And the gentleman from Arizona, MATT SALMON, and so many who are committed to this.

The fact of the matter is, it seems to me we need to do everything possible to ensure that we proceed with recognition and strong support for China. We have come to the point where we as a nation are in fact the beacon of hope and opportunity.

Last Monday we had a very difficult weather day here, and I was stuck in Pittsburgh and got on an airplane to fly into Washington. I happened to sit next to a man who was a civil engineer, a professor from Iowa, and he lived through the terror, the terror of the Cultural Revolution in China.

He looked to me as I was reading some information about China, and he said, my family is still there and I am regularly talking with them about how things are improving in China. Things are improving. They are not perfect.

Everything that has been discussed here is very important for us to address. Human rights violations are horrible. Weapons transfers, horrible. We must, as my friend the gentleman from Virginia, FRANK WOLF, said, maintain engagement. I and many others here are regularly and consistently engaged in this issue throughout the year.

But we cannot simply do what makes us feel good. We must do good. We must do the right thing. There are jobs that are being lost to China, but guess where they are coming from. Not the United States of America. We know they are coming from Taiwan, from South Korea, from Singapore, from Malaysia, from Hong Kong, other nations in the Pacific ripple. That shift is taking place. So we are not losing jobs here, as the people who are supporting this disapproval motion have been claiming.

We, in fact, as a Nation, stand for freedom and opportunity, and I am convinced that the free market is the strongest possible force for change in this century. It has been in China. Trade promotes private enterprise which creates wealth, which improves living standards, which undermines political repression. The Cultural Revolution was a horrible time. The great leap forward was a horrible time. A million people were killed during the Cultural Revolution—60 million people starved under Mao Tse-Tung. The Tiananmen Square massacre was a horrible, horrible day for the entire world.

I take a back seat to no one on the issue of human rights. I marched up to the embassy to demonstrate my outrage obvious that issue. But I came to the conclusion that disengaging will, in fact, hurt the people we want to help most. That is why it is very important for us to do everything that we possible can to maintain that association. Vote ''no'' on this resolution of disapproval.

Mr. GIBBONS. Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. MATSUI].

Mr. Speaker, may I say that no one in this Chamber has been more diligent and more constructively helpful in this engagement that we have here than the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I would like to thank the gentleman from Florida, really, truly one of the outstanding leaders in America on the issue of international trade, and one who we will miss when he leaves the Congress at the end of this year, and I thank him for all the expertise he has imparted to me and other Members of this body over the years.

Of course, to all my colleagues who oppose the continuation of MFN, I know how sincere they are and how strongly they feel about this issue, but I think as the gentleman from California [DAVID DREIER] has said, we who favor the continuation of MFN are just continuing the bipartisan support we have had to engage the Chinese since Richard Nixon opened up China in 1978.

In fact, all the Presidents since Richard Nixon favor the continuation of MFN. Every Secretary of State, every Secretary of Commerce, every United States Trade Representative favors the continuation of most-favored-nation status with China.

We have heard a lot of horrible things that the Chinese and the Chinese Government have done, and many of it and much of it is true. But the fact of the matter is, China, China is 22 percent of the world population. Almost one out of every five persons on this Earth lives in China and can claim Chinese citizenship; one out of every five.

Do our colleagues think for a minute that we can isolate the Chinese? Do we think for a minute that cutting off MFN status, which is tantamount to a declaration of war, will further the cause of human rights, intellectual property, trade? Of course not.

In fact, the great fear that all of us have with respect to China is the fact that the Chinese may decide to become

the most powerful military country that this world has ever known. Should they do that, the Japanese, the South Koreans, the Indonesians with 180 million people, they will begin to rearm, and then Asia will become a tinder box in 5 or 6 or 10 years from now.

We have to do this for our children and our grandchildren. This is not an issue of trade. This is an issue of international security and peace in our country and our world.

I would like, however, to talk a little bit about the trade issue because that has been brought up and up and up by many of my colleagues, the $33 billion trade deficit with the Chinese. First of all, in the last 24 months, the last 2 years, much of the deficit has been because of transshipment to Hong Kong. In fact, the Commerce Department has said that about 40 percent of the $33 billion is due to transshipment, and therefore the trade deficit is somewhat inflated.

In addition, the four tigers, Hong Kong, Singapore, South Korea, and Taiwan, they are moving much of their production offshore back into China, and as a result of that, the trade deficit with those four countries has gone down while the trade deficit with China has gone up. So we have not lost all those jobs that the opponents of MFN have stated.

But, most importantly, and in conclusion, Mr. Speaker, what is really important here is for the United States to stabilize our relationship with the Chinese. We are attempting to do that now. We made progress on the issue of the ring magnet sale to Pakistan. We made progress on the piracy of the Chinese of our intellectual property. But it is going to take time. China is 3,000 years old and it is going to take time.

But for the sake of the world, for the sake of our people, for the sake of this great Nation, we have an obligation to deal and to engage the Chinese.

Mr. STARK. Mr. Speaker, I yield the balance of my time to the gentlewoman from California [Ms. PELOSI] who has worked so hard for human rights and open trade throughout the world.

Ms. KAPTUR. Mr. Speaker, pursuant to rule XXX, I object to the Member's use of the exhibit.

The SPEAKER pro tempore. The question is: Shall the gentlewoman from California [Ms. PELOSI] be permitted to use the exhibit.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 419, nays 0, answered ''present'' 1, not voting 13, as follows:

[Roll No 283]

YEAS—419

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

LaHood

NOT VOTING—13

Collins (IL)
Davis
Diaz-Balart
Flake
Gephardt
Hall (OH)
Lewis (GA)
Lincoln
McDade
Moran
Peterson (FL)
Stockman
Wilson

☐ 1547

Mr. LIPINSKI and Mrs. CUBIN changed their vote from ''nay'' to ''yea.''

Mr. EVANS changed his vote from ''present'' to ''yea.''

So the gentlewoman was permitted to use the exhibit in question.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, during rollcall vote No. 283 on House Joint Resolution 182 I was unavoidably detained. Had I been present, I would have voted "Yes."

The SPEAKER pro tempore. The Chair would advise Members that the gentlewoman from California [Ms. PELOSI] has 1½ minutes remaining, and the gentleman from Illinois [Mr. CRANE] will close the debate with 4½ minutes remaining.

Ms. PELOSI. Mr. Speaker, we have a very important choice to make here today. But that choice is not between engagement or isolation. Certainly we will continue engagement with China. But that engagement must be constructive.

The current engagement called constructive engagement is neither constructive nor true engagement. It has produced a situation where each of us is being asked today to put our good

name, our seal of approval on the status quo with China. That status quo includes very serious repression, which continues in China. In fact, it has worsened in recent years, the status quo includes very dangerous proliferation of nuclear missile, biological, and chemical weapons to Pakistan and rogue states like Iran and, on the issue of trade, includes a situation where we have very little market access, a huge trade deficit and theft of our intellectual property.

Some Members say we should not mix trade and proliferation and human rights. On the basis of economics and trade alone, the lack of reciprocity on the part of the Chinese says that we should not grant most-favored-nation status to China. Of course, they will get it.

But the vote today for Members of Congress is to say to the President, use the tools at your disposal. Bring down the great wall of China's high tariffs to products made in America, reduce this huge trade deficit. Give us opportunity for our products to go there. Stop the theft of our intellectual property and really stop it and, most importantly, stop the technological transfer which is undermining our economy.

China, it has been said, is a huge country. It is, indeed, very populous. China is a big country. It will be a great power. All the more reason for us to want it to be free. But in terms of the trade issue alone, there is no reciprocity of the Chinese to the United States.

What we have to decide and what we will have to answer to our constituents for is how we address this trade deficit, which is a job loser for the American people. China is a big country, as we have said. Because of the trade barriers, the theft of intellectual property, the transfer of technology, which is a couple hundred billion dollar problem, the use of prison labor and the fact that China refuses to play by the rules. We will have to answer for this vote China is going down a path that is a threat to the economies of the industrialized nations of the world.

This debate is about nothing less than our national security, our democratic principles and our economic future.

Mr. Speaker, I urge my colleagues to vote ''yes'' on the Rohrabacher resolution and thank them for their attention.

Mr. CRANE. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of MFN for China.

MFN simply provides China the same trade status possessed by other nations. There is nothing most-favored or preferential about MFN status. MFN is the normal trading status.

The United States must maintain a policy of engagement with China—lest one day we find ourselves forced into a policy of containment. Whether and how we engage China today will have enormous consequences for United States national interests in the future.

Denying normal trade relations would undermine U.S. economic interests for trade is crucial to the growth of our economy, good jobs for our people, and international prosperity. United States exports to China, growing at a rate of 20 percent a year, support 170,000 American jobs. Chinese retaliation would seriously threaten these jobs and United States companies expanding in China.

Market economies naturally evolve into democracies. Entrepreneurship and invention, breed personal confidence, individualism, and the values that underlie democracy in the evolutionary process in Taiwan.

China is one of the fastest growing economies in the world—with a population of 1.2 billion—and past growth rates in the double digits. Since establishing relations in 1979—trade between the United States and China has risen from $2 billion in 1978 to nearly $60 billion last year making China our 6th largest trading partner.

Normal trade relations promote human rights. Should MFN be denied, the influx of democratic political and economic ideals would cease.

Normal trade relations promote environmental reforms. Working with China on sustainable development in areas of pollution prevention, agriculture, and energy will greatly benefit the global environment.

Normal trade relations better the lives of the Chinese people. By providing higher wages, opportunities for travel and study abroad, and other basic benefits, American companies in China open Chinese society from within.

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

Mr. Speaker, I rise in very strong opposition to House Joint Resolution 182. Because of the tragic human rights situation in China, it is very easy to stray from the central question of what is the most effective policy to achieve what we all want for the Chinese people—a better, more humane life. This resolution, however, would set up a policy of unilateral confrontation with the Chinese Government in which our Government would disengage from a leadership role in the region. That is not the answer to China's problems, and it will serve only to worsen the condition of the Chinese people. One has only to recall the cultural revolution and the widespread famine of the 1970's in China to understand that an isolated Chinese Government is the most dangerous.

It is a proven fact that business plays a positive role in exposing the Chinese people to ideas and skills necessary to succeed in a free market, to the opportunities of economic liberalization, and to the promise of expanded political freedom. Simply put, prosperity and expanded contact with American citizens is the best way to nurture the growth of democracy in China.

Motorola, one of my constituents, is a prime example of the importance of improving the conditions in China by setting a good example in several ways. Motorola has generously volunteered to develop grammar schools throughout China, giving children opportunities that they would not have otherwise had. In addition, Motorola has established a program permitting its Chinese employees to own their own apartments after a period of time.

The performance of this one company is ample proof that the presence of American business in China has had a positive influence on the Chinese people it touches by fostering and encouraging the values we embrace so strongly. I challenge proponents of this resolution to show me a United States-owned firm in China that is not far out in front of its competitors in promoting health and safety standards, workers' compensation, and nondiscrimination in the workplace.

We also cannot ignore the fundamental fact that under the repressive Chinese regime flourishes one of the world's largest and most rapidly growing economies. If my colleagues would ask their constituent firms about the future of U.S. trade policy, and what our priorities should be, as I did at a hearing I held in my Illinois district earlier this year, they will emphasize the strategic importance of developing the Chinese market, over any other trade issue.

Illinois exports to China grew 25 percent last year. What is striking is the fact that these exports came predominately from small and medium-sized firms employing 500 people or less. These firms realize that competing successfully in China and Pacific Rim countries makes them strong. We know that job security in terms of tenure and job turnover is much higher in exporting firms. Levels of job creation in plants that produce for export is 17 to 18 percent higher than in plants that do not. According to new research, pay in companies competing in the world market place is 15 percent higher, and benefit levels, a remarkable 37 percent higher.

Rest assured, I would agree that China is one of the most protectionist countries with which we trade. For example, securing access to China's services market, adherence to fair phytosanitary rules for the agriculture products, and elimination of a wide range of restrictive import quotas are key United States objectives. But this positive agenda, I am afraid, is disabled by the annual exercise of condemning the Chinese Government and society on a wholesale basis through the MFN process. Instead, developing solid, negotiated solutions to targeted market access problems is the best way to deal with these issues.

The disapproval resolution we are considering today would set back all the progress that the United States and our businesses are making in China. Such a policy of unilateral confrontation must be rejected in favor of a strategy that preserves United States leadership in Asia and maintains our commitment to the people of China,

Hong Kong, and Taiwan. I urge my colleagues to vote a strong ''no'' on this resolution.

Mr. POSHARD. Mr. Speaker, I approach the podium today ready to support the continued extension of most-favored-nation [MFN] status to the People's Republic of China. However, I want to be clear from the outset that my vote should not be construed as an endorsement of the current Chinese regime. I doubt if there is a Member of this body that is not appalled by some aspect of China's record on human rights. It is not acceptable. There is no doubt that the Chinese are overly protectionist in their trading practices, have been lax in enforcing agreements on the protection of intellectual property, and have exported nuclear technology. These situations also are not acceptable. The question before us is, how do we best change these unacceptable scenarios? How does the greatest country in the world help educate the Chinese on internationally accepted norm of behavior? By not sharing the traditions and institutions that have made the United States the beacon of hope for oppressed peoples everywhere? I do not think so. By keeping an American presence in this equation we can continue to make a difference. I believe we must embrace this Nation—embrace the people that have gained a greater sense of prosperity, decency, and Western values with every passing day since their leadership began to implement economic reforms in 1978.

And let there be no mistake that the United States has played a vital role in this transformation. We speak of human rights, but we must not ignore the inescapable fact that the life of the average Chinese citizen is better due to economic reform, and that there is a commitment from the Chinese to pursue this path further. The continuance of this relationship is critical to segments of the American economy, such as agriculture. Earlier this year Congress passed a farm bill that promised America's farmers the ability to compete on a global scale. How can we then, barely 3 months later, deny them access to the world market with the largest potential? My home State of Illinois ranks second in the Nation in commodities exports to China, first in feed grains and soybeans. MFN for China is a necessity for these hard-working farm families that represent the backbone of our country. Likewise, the estimated $750 billion in needed infrastructure improvements in China will enable American manufacturers to create high-paying jobs here in the United States for our workers, in fields such as nuclear energy, and electrical machinery.

However, the benefits to America of MFN for China must not overshadow the essential improvements that must be made in our existing trade relationship. We must continue to insist on the dismantling of trade barriers and that the use of prison labor ceases. I have taken a strong stand on Chinese dumping practices, pressuring their bicycle industry to disavow this behavior while endorsing retaliatory United States responses. I urge my colleagues to do the same. We must stand firm in this endeavor, and that means tailoring different means to meet this challenge other than the blunt instrument of MFN. For this reason, I endorse the Cox resolution that will seek more efficacious ways to achieve our goals in regard to the Chinese. We must do all we can to make sure this relationship is working for the best interests of the United States, while not crippling important domestic interests in the process. For all of these reasons I will vote for the continued extension of MFN to China, but at the same time we must remain vigilant in pressuring the Chinese to meet their commitments.

Mr. HOYER. Mr. Speaker, I rise today in support of House Joint Resolution 182. I want to commend the efforts of my good friends, Ms. PELOSI and Mr. WOLF, who have worked tirelessly since the Tiananmen Square massacre in 1989 to focus this body on the human rights atrocities in China, which continue today.

While it is true that most-favored nation status is nothing more than the normal trading scheme that we have with most nations throughout the world, let me suggest that China is not typical of America's normal trading partners. In fact, despite the arguments of my colleagues who insist that engagement with the Chinese is the best policy to achieve improvements in human rights, nuclear nonproliferation, and intellectual property rights, China has been unrelenting in its defiance of international law and bi-lateral trade agreements with the United States.

Mr. Speaker, it is extremely troubling to me that each year since 1989, China MFN supporters have come to the floor and insisted that the status quo and continued normalized trade with China will address our many areas of concern.

Despite the continued and very admirable efforts of the Clinton administration to address many of these issues on an individual basis, the Chinese have continued to send the United States and the world a very clear message: Despite the rhetoric, the Chinese Government doesn't want to be a part of the global community, nor does it intend to abide by the very international agreements which set the standards that link hundreds of nations worldwide.

Each and every year, I take to the floor to discuss the conditions under which millions of children are forced to work in slave labor camps, the continued proliferation of nuclear-capable technology, and the violations of intellectual property rights. Many of my colleagues insist that there are alternative approaches to MFN revocation that would address these issues, yet another year has gone by and China continues to deny basic human rights to all of its citizens. Moreover, they continue to sell and transfer missile technology to Iran and Pakistan, and tighten their grip on freedom of speech, press, and thought in China and Tibet.

Over the past 3 years this Congress has been, in my opinion, lenient toward China and clearly, the time has come to send a clear and strong message to President Zemin and the National People's Congress that the United States will no longer participate in business as usual with a nation whose actions are contrary to internationally accepted norms.

The bill before us is very simple. It sends a very clear, strong message to the Chinese that it is time to back up the words that fill their statements and promises with action.

As we have learned in country after country in Europe, the United States develops its strongest alliances and ensures its lasting security when we stand firmly and unequivocally for the principles upon which our own Nation was founded.

Mr. Speaker, let me be clear. I agree that we must engage the Chinese. I recognize the billions of dollars of American exports to China and the thousands of American jobs associated with those products and services. However, our vision of a world focused on and committed to democracy must not be impaired by economic bottom lines.

We all recognize that the best China policy is one which advocates a prosperous, strong, and democratic China. However, despite over $4 billion in multilateral loans, $800 million in Export-Import Bank loans and guarantees, and relaxed controls on sensitive exports in the past year alone, there has been little, if any, progress in the many areas that we continue to press the NPC on.

Recognizing this fact, we must change our course of engagement with China. Mr. Speaker, I will also support House Resolution 461 today and I hope that the House will act quickly and decisively in implementing additional policies which seek to address the very serious and critical issues that we are discussing today.

Mr. Speaker, if China desires to be a true world power enmeshed in the global marketplace then they must lead responsibly and seek democratic reforms. Only then should we embrace China as a true global partner worthy of total and unrestricted United States engagement. I urge my colleagues to support House Joint Resolution 182.

Mr. BARCIA. Mr. Speaker, I believe that the best hope of encouraging democracy in the world's most populated country is by maintaining normal trade relations and exposing the Chinese people to American people and culture. Therefore, I have reluctantly voted in support of renewing most-favored nation status for the People's Republic of China.

Removing MFN from China will not address our trade deficit while we allow other countries in this world to undercut our companies by ignoring labor, health and safety and environmental standards, and offering starvation wages. Precipitating the expulsion of our companies from China will only open a vacuum hole into which our competitors from Europe and Asia will gladly step. This will hurt, not help, American workers.

That said, Mr. Speaker, I am very disappointed that the continued good faith and patience of the American people are rewarded by China's unequal and nonreciprocal treatment of our products, China's pirating of intellectual property, the proliferation of dangerous weapons of mass destruction and, of course, the Chinese dictatorship's abysmal human rights record. I am growing weary of this annual exercise in which we are forced to gain further assurances from the Chinese Government that their behavior will warrant its being recognized as a member of the civilized world, and worthy of a normal trade relationship with this country. MFN is a courtesy offered by the United States to all but a handful of the nations of the world. To remove it would represent the recognition that we have no hope of a productive relationship with the Chinese. This year, I am still unable to abandon hope that we can help the Chinese people. However, without significant improvements in the behavior of the Chinese Government on human rights, bilateral trade, weapons proliferation, and peace and stability in the Asia Pacific, I fear that I will be unable to support renewal next year.

I offer this, not as a threat to the Chinese, but as a plea for their Government's recognition of the rights of her people and the value

of the relationship between our nations. Mr. Speaker, Americans are a giving and patient people. Our good will, however, is not open-ended and should not be taken for granted.

Mr. CAMP. Mr. Speaker, today, Congress is faced with an important question: How should the United States utilize its economic power and trade relations to influence other nations' policies. The question before us today is whether to extend most-favored-nation trading status to China or to withhold most-favored-nation status in hopes that China will change its ways. Opponents of MFN claim the United States should not place human rights second to economic benefit. Advocates of MFN claim that continued exposure to Western traditions and ideals will help promote democracy.

First, let's get the facts. Most-favored-nation treatment is far from most favored. In fact, only seven nations do not receive MFN. By extending MFN to China, we merely provide the same trading status enjoyed by nearly every other U.S. trading partner. The United States continues to enter into, and negotiate, bilateral and multilateral trade agreements, such as NAFTA and GATT, which provide signatory nations with preferential trade treatment. By extending MFN, the United States does not give up the right to impose sanctions on a nation or pursue other trade penalties. The United States would still have at its disposal a variety of options to punish rogue nations.

China's human rights record is poor. It has historically suppressed freedom of speech and expression and pursued policies of abortion and extermination. Today, they continue to implement policies that we as Americans loathe. But extending MFN is not an expression of approval of these policies, it is merely a vote to continue trade relations in hopes of strengthening ties between our nations so that we may improve China's human rights record. The economic power of the United States should be used as a light to expose China's violations. By turning our back on China, however, we turn off the light of exposure and allow China to continue its violations free of examination.

U.S. companies continue to export and invest in China. The Chrysler Corp. which has manufacturing plants in China, pays their employees nearly five times the average worker's wage, provides employees with housing, day care for their children, and training in Western management practices. By exposing Chinese citizens to Western ways, we provide the education and enlightenment for them to help change China's ways from within. We must use the powerful tool of public scrutiny to highlight China's transgressions and utilize our existing relationships to educate the Chinese people. Only through a policy of engagement, not isolation, can we help highlight China's human rights violations, educate its citizens about human rights and correct the egregious government policies.

Ms. HARMAN. Mr. Speaker, I rise in strong support of continuing most-favored-nation trading status for China.

Each year, the President of the United States must renew China's MFN status. And each year, some Members of Congress, motivated by a desire to punish China for bad behavior, attempt to block this renewal.

Mr. Speaker, I too believe China must change. China must respect the human rights of its citizens, respect intellectual property rights, and respect the sovereignty of its neighbors. As a member of the National Security Committee, I am particularly concerned about China's role in contributing to nuclear and missile proliferation.

But the sledgehammer approach of denying MFN to China is not the answer. In the first place, most favored nation is a misnomer: MFN simply indicates normal trade relations. Every country in the world except Afghanistan, North Korea, Cuba, Laos, and Vietnam enjoys MFN status. We even grant MFN to Iraq, Myanmar, and Libya. Putting the world's largest nation in the same category as a few rogue states is folly.

Second, revoking MFN won't work, and is likely to backfire. Terminating MFN will be perceived by the Chinese as an entirely confrontational policy, negating the economic and diplomatic ties which allow us to influence their behavior. Removing MFN will devastate the American commercial presence in China, ending the exposure of the Chinese people to American values of democracy and freedom.

Third, American jobs, including thousands in my district, depend on trade with China. California exported over $1.5 billion worth of goods to China last year. And jobs related to trade with China don't just come from exports. Imports provide jobs at airports and seaports; in my district, trade to and from China already represents over 13.7 percent of the Port of Los Angeles's business, and trade with China is growing rapidly. Denying MFN would sacrifice these jobs for the sake of a largely symbolic and ineffective policy. I have often remarked that the next century will be the Asian century as China, the world's largest underdeveloped economy, takes off. American companies need to gain footholds in this market early. Our foreign competitors are poised to take advantage if we retreat.

Mr. Speaker, I firmly believe that MFN for China should be made permanent, so that we can end this annual ritual, and instead focus on more effective and positive ways to influence China's behavior. I urge my colleagues to look to the long term and reject this resolution.

Mr. RICHARDSON. Mr. Speaker, I rise in support of the renewal of China's most-favored-nation [MFN] status. I am deeply concerned about China's human rights record, but I feel the only way to work toward improving human rights in China is to have an open dialogue between our two countries. Ending most-favored-nation status is an empty gesture that would sever political and economic relations between Washington and Beijing and ensure no improvement in human rights.

Now is a crucial time in Chinese history. We must support China's emerging market. We can help China to continue to make progress toward an open market and adoption of international norms and laws, or we can isolate China and watch as they become an increasingly destructive force in the world community. In truth, trade teaches the skills which are crucial to an open market and a free society. How can we expect the Chinese to adopt our democratic ideals if we dissolve our political relationship?

Ending most-favored-nation status means a loss of U.S. jobs and increased expenses for American families who rely on inexpensive Chinese products. Over 170,000 Americans jobs are dependent on trade with China and hundreds of thousands more and indirectly supported by our trade relationship. Chinese retaliation would endanger these jobs and would exclude American companies and workers from one of world's most dynamic markets.

In the past few months, China has shown initiative by closing 15 plants which were violating international property rights and turning them over to the police force to make sure they stay closed. Furthermore, China has created a special task force to deal with intellectual property rights violations. Both of these are steps in the right direction. We must not forget that our Government would never have been able to sit down with Beijing to discuss the issue of intellectual property if we had dissolved our political ties by ending MFN.

In short, revoking MFN would lead to a political standoff between Washington and Beijing which would hurt the American people and do nothing to help the Chinese victims of human rights violations. Instead of making an empty gesture by revoking MFN, lets sit down with the Chinese and use MFN as leverage to improve their human rights record.

I agree with President Clinton's rationale which is contained in the attached letter.

THE WHITE HOUSE,
Washington, DC, June 27, 1996.

DEAR MEMBER OF CONGRESS: I am writing to express my strong support for unconditional renewal of Most-Favored-Nation (MFN) trade status for China. I favor renewal because—like every other President who has faced this issue—I believe that it advances vital U.S. interests. When it comes time to cast your vote, I hope you will support renewal of MFN.

Far from giving China a special deal, renewal of MFN confers on it a trading status equal to that enjoyed by most other nations. Simply put, it gives China normal trade status.

I favor renewal because it is in the best interests of the United States. China is at a critical turning point. How the United States and the world engage China in the months and years ahead will help shape whether it becomes a destabilizing or constructive force in Asia and in the world. Revoking MFN would raise tariffs on Chinese imports drastically, effectively severing our economic relationship and seriously undermining our capacity to engage China on matters of vital concern, such as non-proliferation, human rights, trade and Taiwan relations. MFN renewal is critical to our ability to engage China to promote vital U.S. interests. Revocation of MFN would reverse three decades of bipartisan China policy and would seriously weaken our influence not only in China, but throughout Asia.

Revoking MFN would also undermine America's economic interests. U.S. exports to China support over 170,000 American jobs and have been growing at a rate of 20% a year. Chinese retaliation would imperil or eliminate these jobs, exclude American companies and workers from one of the world's most dynamic markets and give an open field to our competitors.

Revoking MFN would not advance human rights in China. Continued engagement with China, including through renewal of MFN, is a major engine of change, exposing the country to democratic values and free market principles. Revoking MFN would cut those links and set back a process that is feeding China's evolution for the next century.

Revoking MFN would have a serious adverse impact on Hong Kong, as Governor Patten and Martin Lee have explained during their recent visits. It would also harm Taiwan's economy.

Engagement does not mean acquiescence in Chinese policies and practices we oppose. We must remain prepared to use sanctions and other means at our disposal to promote America's interests, whether it is protecting U.S. intellectual property rights, combatting the proliferation of weapons of mass destruction or promoting human rights. These are the right tools to use in advancing U.S. interests. Revocation of MFN is not.

This vote is about what approach best promotes U.S. interests. It is not a referendum on China's policies. We disagree with many Chinese policies. The issue is whether revoking MFN is the best way to serve U.S. interests. I believe it is not. When you cast your vote, I ask you to vote for America's interests by voting against the resolution of disapproval.

Sincerely,

BILL CLINTON.

Mr. UNDERWOOD. Mr. Speaker, I rise today in reluctant opposition to House Joint Resolution 182, a resolution to deny most-favored-nation [MFN] status to the People's Republic of China.

I am mindful of and sympathetic to the concerns raised by proponents of the resolution. There is no disputing that China has an abysmal record on the protection of human rights, the sale of nuclear and missile technology and the protection of intellectual property rights. Furthermore, China's aggressive military spending and posture against Taiwan and in the Spratly Islands is disturbing. China's record on any one of these issues is reason to be concerned and outraged. These are serious issues that merit careful consideration by this Congress.

We all want greater democracy and political freedom in China, but it is not clear that revoking MFN is an effective tool in this process. Many will argue that it is exactly opposite.

As Congress begins debate on this issue once again, it has become clear that using MFN to affect China's behavior is ineffective. Since 1980, China's MFN status has been continuously maintained through waivers to the Jackson-Vanik amendment. For every year since the Tiananmen Square incident in 1989, Congress has threatened to withdraw, substantially limit or make conditional China's MFN status. When Congress first threatened to revoke China's MFN status, the threat was credible and China responded with limited concessions and released some political prisoners.

I believe Congress needs to consider the consequences of such an action and ask ourselves what our goals are in a China policy and how we want to achieve those goals. It is not altogether clear what the specific consequences of revoking China's MFN status would be. One concern is that it could strengthen hard-liners who are opposed to economic and political reforms and those in favor of taking a stronger military posture toward the United States. This could in fact result in greater restrictions on personal, political and economic freedoms. With such considerations, the potential consequences of revoking China's MFN are too serious to ignore.

What then is the alternative to revoking MFN? What other tools does the United States have to achieve our desired goals?

It has been reported that one of the biggest fears of the Chinese leadership is that a ''peaceful evolution'' will take place in China. This phrase refers back to an expression developed a few decades ago. In the 1950's, Chinese officials were convinced that the United States was plotting to undermine the regime through exposure to American culture and democratic ideas. Reportedly, such an evolution is still of serious concern to PRC leaders.

Some have said that Taiwan is an example of the results of a ''peaceful evolution.'' Over a decade ago, Taiwan was experiencing an economic miracle with phenomenal economic growth and investment. Some of the concerns about Taiwan at the time mirror today's debate on China. We must only look to the most recent election in Taiwan, the first fully democratic Presidential election in its history, to see how far Taiwan has come on its reforms.

China is slowly following a similar path that moves from economic freedom to political openness. President Lee Teng-hui of Taiwan could not have put it more succinctly than he did in an interview earlier this year. President Lee argued:

Vigorous economic development leads to independent thinking. People hope to be able to fully satisfy their free will and see their rights fully protected. And then demand ensues for political reform * * * The fruits of the Taiwan experience will certainly take root on the Chinese mainland. In fact, the mainland is already learning from Taiwan's economic miracle. The model of [Taiwan's] quiet revolution will eventually take hold on the Chinese mainland.

A more constructive approach than simply revoking china's MFN status would be to target sanctions at some of the specific problems. The Clinton administration proved the merits of this approach with the recent agreement on intellectual property rights [IPR]. A similar approach could be tailored toward other problems such as China's sale of nuclear and missile technology and sanctions against products produced by the People's Liberation Army. Each of these sanctions would be targeted toward the specific problems and, as the recent agreement on IPR demonstrates, be much more effective.

Addressing China's human rights violations through sanctions is a little more problematic. While political freedom in China has improved at the margins, gross violations continue to occur. I am not so convinced that engagement without other forms of pressure will improve China's record on human rights. Engagement by itself has not produced the degree of improvement that we have sought. Perhaps engagement combined with diplomatic pressure could result in a more effective outcome.

However, the solution proposed through House Joint Resolution 182 could have an adverse impact on our goals. Revoking MFN for China will not necessarily improve human rights and may perhaps worsen the situation. The unforeseen consequences of revoking China's MFN status is too great a concern to me to support this resolution today.

Mr. MCDERMOTT. Mr. Speaker, I rise today in opposition to House Joint Resolution 182. Businesses succeed in China when they first develop a good relationship with their Chinese counterpart before discussing the details of the transaction. It is time for the United States to do the same. In what is becoming an annual ritual, every summer the House of Representatives has this debate over renewal of China's most-favored-nation trading status. I think everyone's time would be better spent developing a China policy that establishes a constructive framework for dialog and includes permanent extension of MFN. Annual grandstanding and political bickering over this issue does nothing to improve our relations with China. Threatening withdrawal hurts our credibility with the Chinese on other issues, and if carried out, would hurt our economy and turn China into an enemy.

Today, MFN trading status is a pillar in the United States trading relationship with China. Without continued MFN, United States firms will be denied opportunities to sell and invest in China and in turn prevented from bringing United States values and United States ways of doing business to China. The involvement of United States businesses in China not only provides numerous benefits for the United States economy, but it has also brought improved health, safety and training standards to the Chinese firms and people with whom American companies do business.

My State, Washington, has benefitted enormously from trade with China. Washington State ranks first among the 50 States in exports to China. In 1994, Washington State exports accounted for almost a quarter of total United States exports to China. China is the single most important and exciting market for the Pacific Northwest for the foreseeable future. Trade with China is beneficial not only to large companies located in my State, but also to hundreds of small companies in the State whose China trade accounts for an ever-growing portion of their business.

Cutting off China's most-favored-nation status, which will immediately result in Chinese retaliation on American exports, is neither sound nor effective policy. The strategic implications of removing MFN from China and isolating it from the United States are serious and against our interests. Our relationship with China in not perfect. I would like to see improved human rights in China. But isolating China is not the way to achieve our goals. The United States need to take the step which is in the best interests of our country and renew MFN for China.

Mr. KIM. Mr. Speaker, I rise today in opposition to House Joint Resolution 182, legislation that would disapprove the President's decision to renew most-favored-nation [MFN] status for the People's Republic of China [PRC].

My reason for doing so is simple: While I share my colleagues' concerns about the Chinese Government's actions regarding human rights, missile proliferation, and other bilateral matters, I do not believe that these issues should be linked to the basic foundation of trade between the United States and the PRC. I believe that there are more appropriate and effective means to address these important non-economic concerns.

The People's Republic of China [PRC] has been denied permanent MFN trading status since 1951, when Congress revoked MFN status for all Communist countries. However, under the provisions of the Trade Act of 1974, the United States can grant temporary MFN status to China if the President issues a so-called Jackson-Vanik waiver.

In June of this year, President Clinton exercised this option—as he has in each of the previous years of his administration—and extended the Jackson-Vanik waiver for China for an additional year. In considering House Joint Resolution 182, we must now decide whether to exercise our Congressional prerogative to disapprove this waiver—and deny MFN status for China. Following this debate, I hope Congress can move forward on the consideration

of granting permanent MFN status for China and putting an end to this annual source of Sino-American tension.

In making this important decision, there are two questions that we must answer: First, is it in our national economic interest to continue MFN for China? Second, how does extending MFN for China influence our efforts to effectively address human rights and other bilateral problems between the United States and China?

The answer to the first question is unequivocally yes. Extending MFN to China would clearly yield substantial economic benefits to the United States.

China is our Nation's fastest growing major export market. America exported $9.8 billion worth of goods to China in 1994, an increase of 5.9 percent over 1993. These exports supported approximately 187,000 American jobs, many of which are in high-wage, high-technology fields.

But these benefits are only the tip of the iceberg. With a population of more than a billion people—and a GNP that has grown at an average rate of 9 percent since 1978—the future export potential of the Chinese market is enormous. In industries such as power generation equipment, commercial jets, telecommunications, oil field machinery, and computers, China represents a virtual gold mine of economic opportunity for American businesses.

The importance of such a market is hard to understate: In a world where most existing major markets are saturated or are quickly maturing, it is critical that we find new and expanding markets for American products. China is just such a market. In fact, it represents one of the last reservoirs of raw economic potential left for American businesses to tap.

In short, if cultivated properly, a vigorous trading relationship with China could be a badly-needed cornerstone of American export growth—and overall economic growth—over the next few decades.

Denying MFN for China, however, would put that relationship at risk. To understand why this is true, it is important to realize that MFN is a misnomer. MFN is not preferential treatment—it is equal treatment. By denying MFN for China, we would be denying China the same trading status that all but six of our trading partners have been granted.

How would China be expected to respond to such a punitive action? There's no way to know for sure * * * but I suspect that the Chinese would retaliate by quickly closing their market to American goods and would take their business elsewhere—an event that our international competitors, especially the Japanese and the EC, would note with glee.

And, even if a full-fledged trade war with China is avoided, there is still the risk of destroying all of the progress made so far on other United States-China trade issues.

For example, the United States has recently reached an historic accord with the PRC on protection of intellectual property rights and market access. The accord contains a commitment on the part of the Chinese to ''crack down'' on piracy and to enforce intellectual property laws. It also would require China to finally open its markets to United States audio-visual products. And, if China fails to live up to this agreement, there are more effective IPR-related trade actions that could be taken instead of revoking MFN.

In short, rescinding MFN for China would undermine the progress we have made so far, and would eliminate any possibility of future progress on other trade related issues—such as full enforcement of the 1992 bilateral agreement prohibiting prison-made goods.

The fact is, MFN provides that basic foundation to negotiate with China on trade issues. Without MFN, there is no trading relationship-and no reason for China to work with us to guarantee fair market access for American products.

In other words, denying MFN for China can only have negative consequences for the United States. At a minimum, rescinding MFN would destroy the progress we have already made and would jeopardize future progress towards establishing an equitable trading relationship with the PRC. At maximum, denying MFN would cause a full fledged trade war in which the Chinese market would be closed to American products.

Either way, the end result would be that American companies would effectively be shut out of one of the most rapidly expanding export markets in the world—sending hundreds of billions of dollars of future American exports down the drain.

This scenario is easily avoidable. By continuing MFN status for China, we can take the next step towards promoting a strong economic relationship with this important trading partner—and put ourselves in position to reap the economic benefits that the Chinese market offers.

So it is clear, that renewing MFN for China is in the best interests of the United States economy. Opponents of MFN for China argue, however, that our economic interests should not be our sole concern in deciding whether to extend China's MFN status. They argue that we should use MFN status as leverage to punish China for its abysmal record on human rights and regional security issues—and to force China to change its ways.

Let me say that, in part, I agree with those who would make this argument. Almost no one would argue that China's record on human rights and other issues is unacceptable—and that inducing change in these areas should be a priority of United States foreign policy. I believe that the United States has a responsibility to do whatever it can to promote human rights and democracy in the PRC.

In short, I don't disagree with the goals of MFN opponents. I just disagree with their methods.

The premise of the MFN opponents' argument is simple: That full access to the United States market can somehow be used as a tool to force China to act responsibly. Unfortunately, this view simply does not reflect reality.

The fact is, China simply cannot be bludgeoned into submitting to the will of the United States. As I am sure my colleagues are aware, China is a powerful, proud and independent nation. The idea that such a nation would undertake massive internal reforms because of economic threats from the United States is ludicrous. It is more likely that, in response to the hostile act of denying MFN, China would simply write off the United States market, close off its own markets to United States products and turn its attentions elsewhere in the world—like our competitors in the EC and Japan.

If that happens, what would we have accomplished? We will not have made any progress on human rights or regional security issues. In fact, we might make things worse by reducing the flow of Western values and ideas into China and undercutting those in the Chinese Government who support closer ties to the West.

In short, we would have accomplished nothing—and thrown billions of dollars in U.S. exports—and thousands of U.S. jobs—down the drain in the process. To me, this makes no sense.

Fortunately, there is an alternative approach to bringing about change in China: Positive engagement. I believe that a strengthening—not undermining—our economic relationship with China is the best way to make progress on the many issues of bilateral concern between the United States and the PRC. In the end, it will be economic interdependence—not hostile threats—that creates the incentive for China to work with us on human rights, regional security and other issues.

In fact, this approach has already borne fruit: Chinese cooperation has already yielded significant progress in key areas, such as stopping aid to the Khmer Rouge, helping curtail the activities of North Korea, and securing a commitment from China not to export certain ground-to-ground missiles. These accomplishments are in addition to the progress we have made on important trade issues, such as intellectual property rights. And, while I agree that more progress is needed, they are certainly a good start.

In sum, Mr. Chairman, we are deciding today between two very different policy approaches in dealing with China. The choice is clear: We can deny MFN and adopt a policy of saber rattling and hostile threats. Or, we can engage China and attempt to use the leverage provided by mutual economic interest to bring about real—albeit slow—change.

I believe that we should choose the latter and renew MFN for China. The fact is, engaging China through international trade is the only chance we have to make a difference in how China treats its people and how China interacts with the world community. Conversely, denying MFN might make us feel good about ourselves in the short run—but in the long run we will have failed to make any difference in how China treats its people or how it behaves in the world community. And, we will have cost American jobs in the process.

For these reasons, I urge my colleagues to vote ''no'' on the resolution of disapproval.

Mr. DINGELL. Mr. Speaker, it is with concern that I cast my vote in favor of most favored nation status for China. Without MFN, I believe much would be lost, not only in the area of trade, but in our ability to continue to coerce China to address its labor and human rights violations. For this reason, I will be following China's progress in the coming year. If advancements are not made by China in these areas, I will be considerably less likely to vote as I did today.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to this resolution of disapproval revoking normal trading relations with China. The extension of most-favored-nation trading status with China simply provides China the same trade status possessed by other nations. There is nothing most-favored or preferential about MFN status.

The discontinuation of normal trade relations will only subvert our capacity to influence Chinese policy, including trade, weapons proliferation, and other security matters. Our actions today will be a key factor in Chinese calculations about their future. Asia is one of the most dynamic regions of the world and the one with the greatest potential to threaten world peace. Stability in this region is most likely if China and the United States participate constructively together. The United States cannot send mixed signals regarding its commitment to regional and global stability. Rather, this is precisely the time when a clear, consistent American policy is needed. The United States must maintain a policy of engagement with China lest one day we find ourselves forced into a policy of containment. Whether and how we engage China today will have enormous consequences for United States interests in the future.

Moreover, denying normal trade relations with China will undermine United States economic interests. With a population of 1.2 billion, and past growth rates in the double digits, United States exports to China support 170,000 American jobs. Since establishing relations in 1979, trade between the United States and China has risen from $2 billion in 1978 to nearly $60 billion last year making China our sixth largest trading partner.

Market economies promote a better standard of living by evolving into democracies. Through normal trade and diplomatic relations, the United States can continue moderating and influencing Chinese actions. Normal trade relations promote human rights. Should MFN be denied, the influx of democratic political and economic ideals would cease. Normal trade relations promote environmental reforms. By working with China on sustainable development in areas of pollution prevention, agriculture, and energy, United States companies operating in China influence Chinese environmental policy. Normal trade relations significantly better the lives of the Chinese people. By providing higher wages, opportunities for travel and study abroad, and other basic benefits, American companies open Chinese society and influence it from within.

I urge my colleagues to oppose this resolution of disapproval. Only through continued normal trading relations will the United States be capable of influencing future Chinese actions.

Mr. CUNNINGHAM. Mr. Speaker, I rise in opposition to extending most-favored-nation [MFN] status for China. In the past, I have been supportive of extending MFN for China. Many companies in my district do business with China, and have urged me to support continuing normalized trade relations with them.

This has been a very difficult decision for me to make. But, in making my decision, I simply asked myself this question: What will best serve the interests of the American people?

The answer: Protecting this country's national security will best serve Americans. China's actions have threatened our national security, and this must stop. All Americans should be concerned over China's sales of nuclear ring magnets to Pakistan, sales of cruise missiles to Iran, nuclear processing technology transfers to Iran and Pakistan, chemical weapons technology transfers to Iran, and the testing of missiles in the seas off Taiwan just before Taipei's historic election. These are not minor matters. Most of them directly violate several international arms control agreements. Terrorist countries are acquiring weapons of mass destruction through their deals with China.

Nor must we ignore China's record of violations of the human rights of China's people. The Clinton administration's policy against china is not advancing human rights in China. Chinese children die in orphanages because they are not fed or given proper medical care. China's one-child policy results in forced abortions and sterilizations. Forced labor thrives. Christians are persecuted.

Nor has China honored its commitments under intellectual property rights agreements, a grave concern for many employers in California. It is crucial that copyright-based industries, such as software and entertainment, are treated fairly by all participants in the global marketplace. This cannot be accomplished when China continues piracy.

The Clinton administration has failed to lead with a realistic China policy. Its weakness and vacillation turns a blind eye to communist Beijing's disregard for freedom, for peace, and for fair trade. The burgeoning American trade deficit with China can and should be laid at President Clinton's feet, which have never even once touched the soil of the world's most populous country.

What we can do is revoke MFN for China. I encourage my colleagues to join me in sending a strong message, and change United States policy toward China for the better, for America, and for the Chinese people.

Mr. PORTER. Mr. Speaker, the human rights and other abuses perpetrated by the Government of the People's Republic of China comprise a series of ongoing and outrageous assaults on international comity and basic human decency. China's unacceptable behavior has been, and continues to be, egregious as measured by any reasonable standard of international conduct. Perhaps of greatest concern, China shows no sign of abating in its misdeeds but, rather, seems compelled to follow a course of worsening behavior. China's actions are so egregious that they cry out for a response.

Day after day we hear reports regarding Chinese human rights abuses. Last December, after being under arrest for 21 months without charge, prodemocracy activist Wei Jingsheng was sentenced to 14 years in prison despite repeated international pleas for his release. The imprisonment of those who attempt to freely express themselves is common practice in China. In January and February, worldwide outrage turned on China when it became public knowledge that innocent children in Chinese orphanages were routinely starved to death as part of a program to rid society of its unwanted, and most fragile citizens.

China's aggressive and harsh policies have extended beyond the mainland. This past fall, when Hong Kong voters demonstrated their commitment to democracy by repudiating most legislative candidates allied with Beijing and handing an overwhelming victory to advocates of democracy, China responded by vowing to dismantle the Hong Kong Legislature upon Hong Kong's return to Chinese control on July 1, 1997. When Taiwan's voters went to the polls to freely and fairly elect their leaders, China once again tried to thwart democratic advancement and fired missiles across the Straits of Taiwan in an act of blatant intimidation and raised tensions to an unprecedentedly dangerous level. And if we ever thought of looking to China to help promote peace and cooperation in Asia, we should look again. China, by engaging in the illegal sale of nuclear weapons to the Government of Pakistan and fostering nuclear proliferation elsewhere, shows no commitment to reducing the number of nuclear weapons worldwide. China's blatant interference with the selection of Tibet's Pachen Lama, and its ongoing efforts to repress the reasonable aspirations of the Tibetan people, represent one of the most egregious examples of religious repression on the globe.

In addition, China continues to dump products at below cost on the United States marketplace, in violation of United States and international trade law. This dumping undermines other developing nations that are playing by the rules and endorsing free market and free government principles. Countries such as the Philippines and India suffer greatly when they lose United States market share to Chinese manufacturers who do not play by the rules.

To all of this, our President has said to this Congress and the American people only what he will not do—he will not rescind most-favored-nation treatment for China. I am basically in agreement with the President in this assessment. MFN is an extremely blunt instrument by which to attempt to influence Chinese policy. Its greatest weakness is that it harms those within and without the People's Republic whom we are most desirous of helping, especially Hong Kong and the emerging markets of Guangdong Province. For that reason, I essentially do not favor retracting MFN status for the People's Republic of China.

The great and troubling difficulty with this is that, to the immense frustration of the American people and many Members of Congress, the President has utterly failed to articulate what he will do about China's outrageous conduct. There is an extremely disturbing failure on the part of this administration to provide any leadership in speaking out against, and acting against, fundamental violations of human rights, international comity and democratic principles by China. We know only what this administration will not do. In this regard, I find it extremely disappointing that the administration provides little support for Radio Free Asia.

And, it is distressing to note, that this seems to be a pattern with this administration that goes well beyond our bilateral relations with China. In other areas of the world, this administration's response to human rights abuses and disregard for norms of civilized conduct is simply lacking. The Turkish Government wages a military campaign against its Kurdish minority. This war has taken the lives of more than 20,000 people including women and children, displaced more than 3 million civilians, and destroyed more than 2,650 Kurdish villages. And what is the United States Government's response—to provide the Government of Turkey with United States military equipment so that they may continue waging this 12-year conflict. Too often, our administration talks a big game but fails to follow through on its rhetoric with action. In Cyprus, former Ambassador Holbrooke promised to make 1996 the year of the ''big push on Cyprus.'' Yet, half

way through 1996 there has been no effort. I fear we will never see a resolution to the Cyprus situation. In Bosnia our administration admits that conditions do not exist for the holding of free and fair elections, but tells us that elections will nevertheless be held this September. What type of results can we expect from elections that we know will be corrupt?

The absence of United States leadership in the face of ongoing human rights abuses in the People's Republic of China undermines the values and democratic principles that we as American hold dear. The difficulty that this nonpolicy presents is that it gives those of us in the Congress who object vociferously to Chinese behavior but are uncomfortable with denying MFN no choice. All options become unacceptable in the absence of Presidential leadership and the failure of this administration to articulate a China policy that amounts to anything more than acquiescence. We can only either support MFN for China or attempt to vent our outrage through support of the resolution of the Gentleman from California [Mr. ROHRABACHER].

I will therefore support the resolution to disapprove MFN for China. But it is a poor substitute for an articulate, proportionate, and aggressive administration policy toward China that Members of Congress can support. And In doing so, I recognize and understand that the final outcome of this process is that China will without question continue its MFN status. And Beijing will interpret this result as tacit United States approval of its current course. To me however, China must understand that its behavior must change and, in the absence of an administration willing to forcefully drive that message home, I feel compelled to express this in the only way I can.

Mr. BARRETT of Nebraska. Mr. Speaker, as agricultural subsidies decline, we must allow and encourage expansion of markets for U.S. agricultural commodities. MFN to China leaves important trade avenues open, benefiting family farms, ranches, and businesses.

China has the potential to becomes the largest importer of American agricultural products. Currently, China is the largest importer of American wheat. During 1995, agricultural sales to China totalled $2.6 billion, more than double the 1994 sales.

Mr. Speaker, we all detest China's notorious human rights record. But, if we don't extend MFN to China, we may lose all positive leverage we now have. As well, United States companies in China set a high standard of management practices—benefiting their employees as well as changing the management strategies of other companies competing in the labor market.

If we don's extend MFN to China nobody wins. United States farmers, ranchers, and businesses lose, and the people of China lose as well.

Mr. VENTO. Mr. Speaker, free and fair trade is an important element in the global economy and in U.S. trade relations with other countries. Benefits flow from most-favored-nation status [MFN], and we must acknowledge that the Chinese market represents a tremendous trade opportunity. But our trade relations also reflect American policy, values, and principles, both nationally and internationally. On many fronts, we have followed the policy of engagement with China but have seen few changes in return. Whether due to human rights abuses, unfair trade practices, the proliferation of technology for non-nuclear and nuclear weapons or theft of intellectual property, the United States should not grant MFN status for China. China does not merit such status as China has repeatedly misrepresented and violated both the spirit and letter of almost all accords related to these fundamental issues. I oppose efforts to grant MFN status to China.

Regarding human rights, the Chinese people are repeatedly denied the opportunity to voice their views on labor abuses or exercise political rights. Documented cases of child and prison labor indicate that conditions are not improving in China. The abuse of Tibet and war games around Taiwan raise serious questions. The U.S. State Department in its 1995 report on human rights indicates the absence of elemental rights and the unwillingness of the Chinese leaders to abide by international norms.

Even when negotiations lead to agreement, China hesitates to implement such measures. China has failed to live up to its obligations under the 1995 intellectual property rights agreement with the United States. Pirate factories continue to produce illegal copies of software, CD's, and video recordings—costing the United States billions of dollars annually in lost sales. How can we extend MFN status to a country that fails to honor its obligations?

Destabilizing international actions by the Chinese Government indicate their unwillingness to cooperate in the global community. Whether sabre-rattling to influence democratic elections in Taiwan, selling nuclear and missile technology to Pakistan and Iran, or illegally smuggling assault weapons into the United States, Chinese actions illustrate the gulf between their words and their deeds.

As if the lack of performance wasn't enough, the predictable result in dollars and cents is negative. In 1995, the United States trade deficit with China topped $33 billion. I have serious concerns about this growing deficit and where our current trade policy may lead. China maintains high tariffs and numerous nontariff barriers. The situation in Japan has shown how difficult overcoming protectionist policies and reducing trade deficits can be. It is in our interest to avoid similar problems with China, which potentially will represent a far larger market than Japan or the European Union. It needs to be corrected now.

I support actions which send a strong message to China that current Chinese policies are not acceptable and will not be tolerated by the United States. During the Bush years these problems were left to flourish, now the task to resolve them is more difficult but imperative to address. The best way to send this message is to vote ''yes'' on this resolution denying MFN status for China.

Ms. PRYCE. Mr. Speaker, I thank the distinguished chairman of the Rules Committee for yielding me this time, and I congratulate him for his leadership in crafting a fair and balanced rule that carefully addresses both sides of the MFN issue.

First, let me say that I am a strong proponent of extending MFN trade status for China, and that I intend to oppose the disapproval resolution. But having said that, I think even the strongest proponents of renewing MFN recognize that there are problems in China.

During this debate, we will hear accounts of egregious human rights abuses, proliferation of nuclear technology, intimidation of Taiwan, and piracy of intellectual property. That is why the companion measure to be offered by our colleague from California is so important.

Under this fair rule, Members can vote to renew MFN and at the same time send a strong signal to Beijing that Congress will not turn a blind eye to China's trade practice, human rights record, and other very legitimate concerns.

But while the Cox resolution is sure to put pressure on China, I continue to believe that an even stronger, more effective tool to induce change in China can be found in a trade policy that engages China. Why? Because market forces promise the kind of economic freedom that gives birth to lasting democratic reforms.

Our own economic and national security interests also require us to maintain a productive relationship with China. We cannot ignore that country's potential as the world's most populous nation, as a member of the U.N. Security Council, and as a regional power with nuclear technology. And, let's not forget our friends in Taiwan and Hong Kong who would most certainly be hurt by the revocation of China's MFN status.

The bottom line is that we cannot write off a market with 1.2 billion people. We have to stay engaged and we have to work to see that our policy concerns are addressed productively—and that means leaving MFN in place.

So again, I congratulate our chairman for his efforts in writing a balanced rule that allows us to achieve both objectives—a clear vote on renewing MFN and a clear vote that sends a strong message to the Chinese Government. I urge a ''yes'' vote on the rule and support for the extension of MFN for China.

I yield back the balance of my time.

Mr. FRANKS of Connecticut. Mr. Speaker, I rise in opposition to House Joint Resolution 182, the resolution disapproving the continuation of most-favored-nation trading status for the People's Republic of China.

Mr. Speaker, I believe to cancel MFN for China would be a penny-wise, pound-foolish measure to take.

First, as a Representative from Connecticut, one of our Nation's leading exporting States, I know of the high rate of employment that our trade with China creates. Mr. Speaker, the $12 billion of goods and services we sell in our trading relationship with China provides for over 200,000 high-paying jobs, nationwide, while thousands of other jobs and also supported by our business with China indirectly.

Yet, Mr. Speaker, opponent of our present trading status with China would have us dissolve MFN, thus throwing these good, high-paying, quality jobs out the window. Mr. Speaker, are we so naive to think that if we dissolve MFN, the Europeans and the Japanese will not try to move in and take this business. I do not think so, but the opponents of MFN for China need to realize that by abandoning MFN trading status with China, we will, in effect, be abandoning our workers who depend on these exports for their livelihood and we would be surrendering this large, fertile market to our global competitors.

Mr. Speaker, there are those Members of the House who claim that we must dissolve MFN because of various incidents of misconduct perpetuated by China. But I ask you, Mr. Speaker, if we now cut off MFN from China, what likelihood will there be that we can promote a better way of life to the Chinese? If we nip our trading relationship with

China in the bud, thus stunting the growing Chinese private sector, what leverage will we have in creating social change? The answer to both questions is none.

Mr. Speaker, the simple fact is, if we are going to change China for the better, we need to economically engage her. Economic engagement means we can help nurture China into a freer, more market-oriented society which depends less on her centralized government and more on her burgeoning private sector.

Mr. Speaker, the bottom line is that there are great advantages to maintaining our MFN status for the People's Republic of China. We need to defeat this resolution and continue the endeavor of discourse and interaction with China for the benefit of the peoples of both nations.

Mr. ABERCROMBIE. Mr. Speaker, today I rise to speak out against granting most-favored-nation status to China. Many of my colleagues have discussed the various aspects of China's MFN status; I am going to concentrate on the issue of exporting forced labor manufactured products to the United States. The Chinese Government has not complied with the memorandum of understanding on prison labor between the United States and China also known as the MOU.

In the MOU, the Chinese acknowledged that exporting forced labor products to the United States is illegal. Key provisions of the MOU state that China will promptly investigate companies or enterprises suspected of violating relevant regulations; they will furnish available evidence and information regarding suspected violations; and they will allow United States officials to visit the respective enterprises or companies.

This violation should be important to any working American. Importing products made by convicted, forced or indentured labor in Chinese prison camps takes jobs away from Americans. The United States should not continue granting MFN status to China while it is exporting prison labor products. There are many examples of Chinese and United States companies deliberately violating the law.

For example, the Customs Bulletin and Decisions published in the Federal Register on April 23, 1996, reports that certain iron pipe fittings are made using prison labor at the Tianjin Malleable Iron Factory also known as the Tianjin Tongbao Fittings Co., also known as the Tianjin No. 2 Malleable Iron Plant, also known as the Tianjin Secondary Mugging Factory, also known as the Tainajin No. 2 Prison. I'm sure you noticed that the prison goes by many names and is only one example of how the Chinese Government tries to mislead companies and countries on where exported manufactured products are being made.

The March 1996 State Department report entitled ''China Human Rights Practices,'' states that cooperation with United States officials has stalled since mid-1995. ''As of the end of 1995, the authorities had not granted access to a prison labor facility since April 30th. * * * As in many Chinese workplaces, safety is a low priority. There are no available figures for casualties in prison industry.''

Another example of exported prison labor can be found by examining the Chinese expandable graphite exports. The only mine in China which produces expandable graphite for export is a forced labor camp called the Beishu Laogai Detachment, also known as the Shandong Province Beishu Prison, the Shandong Province Beishu Shengjian Graphite Mine, the Beishu Graphite Mine, and recently the Qingdao Graphite Mine. Producing expandable graphite is dangerous because it involves the extensive use of sulfuric and chromic acid. Shipping records from 1992 to 1995 show that two major customers of the expandable graphite in the United States were the Asbury Graphite Company and China Enterprises.

Let me refresh some of my colleagues' memories in the case they don't remember watching the June 1995 Tom Brokaw interview with Steven Riddle, CEO of the Asbury Graphite Co. in New Jersey. During the interview, Mr. Riddle admitted that his company was purchasing expandable graphite from Qingdao Mines, a forced labor camp. In addition, Mr. Riddle admitted that he sometimes worried that his company, Asbury Graphite was violating the law, but ''everybody tends to look the other way.'' We need to stop looking the other way. United States companies should not feel comfortable purchasing forced labor products from China. The U.S. Customs Agency needs to put its foot down and enforce the law.

An interesting side note: The Beishu Laogai Detachment was unexpectedly visited on Christmas Day, 1994, by a reporter from the London Sunday Times, named Nick Rufford. He reported that ''Evidence of the use of forced labor was abundant. Inmates marched in double file. Trucks with 'Beishu prison' stenciled on the sides in Chinese characters were parked inside the factory gates. Behind the plant stood a walled compound with watchtowers and guards.'' Mr. Rufford reported 3,500 tons of graphite from the mine was shipped to Britain last year.

As many of my colleagues know, Amnesty International and other sources have provided ample documentation of the cruel and abusive practices common in Chinese prisons. That abuse, the restricted journals clearly show, is translated directly into hard currency earned in the export trade.

For example, in a journal whose readership is restricted to prison officials, a writer laid out the brutal logic of using prison labor for export production: ''Prisoners have become commodity producers. they are cheap and concentrated. They produce labor intensive products.'' It is precisely the goods which fall into the labor intensive category that form the bulk of Chinese exports to the United States.

The article also shows that it is common practice in China to forcibly retain so-called labor reform prisoners for indefinite periods beyond the expiration of their terms. the industrial advantages are explained clearly to prison administrators: ''Prisoners retained for in-camp employment * * * can not join labor unions, do not enjoy retirement benefits when they become old, and their wages and living standards are low.''

These abuses seal the case against granting China MFN status. China does not play by the rules. China does not reciprocate the trade benefits we grant to them. Despite the fact that over one-third of China's exports are sold into the United States market, China's high tariffs and non tariff barriers limit access to the Chinese market for United States goods and services. Only 2 percent of United States exports are allowed into China. The result is a $34 billion United States trade deficit with China in 1995. This doesn't include any of the stolen intellectual property of the illegally smuggled guns. I strongly urge my colleagues that we no longer reward China's constant violations of agreements. Vote against granting MFN status to China.

Mr. SMITH of New Jersey. Mr. Speaker, when the People's Liberation Army massacred, maimed, and incarcerated thousands of peaceful pro-democracy activists in June 1989, the well intentioned but wishful thinking that, somehow, the People's Republic of China was turning the page on repression was shattered.

The brutal crackdown on the reformers was not the end, however, it was the beginning of a new, systematic campaign of terror and cruelty that continues still today.

Each year since Tiananmen Square the savagery has gotten worse and the roster of victims grows by the millions.

It is my deeply held conviction that in 1989 and by the early 1990's, the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships in control in Eastern and Central Europe—and even the Soviet Union—had let matters get out of hand. And Beijing took careful note as, one by one, tyrants like Nicolae Ceausescu of Romania, Erich Honecker of East Germany, and Wojeiech Jeruzelski of Poland were ousted.

Everything Beijing has done since Tiananmen Square points to a new bottom line that we ignore and trivialize at own peril and that is democracy, freedom, and respect for human rights won't happen in the PRC any time soon. The dictatorship's not going to cede power to the masses especially when we fail to employ the leverage at our disposal. We are empowering the hardliners.

Accordingly, stepped up use of torture, beatings, show trials of well known dissidents, increased reliance on the hideous, and pervasive practice of forced abortion and coercive sterilization and new, draconian policies to eradicate religious belief, especially Christianity, have been imposed. Genocide is the order of the day in Tibet. Repression on a massive scale is on the march in the People's Republic of China.

Some have argued on this floor that conditions have improved, citing the excesses of the Cultural Revolution as the backdrop to measure improvement. But that's a false test. The depths of depravity during that period has few parallels in history and the Chinese leaders knew themselves that such extreme treatment of its people could not be sustained.

But the real test is the post-Tiananmen Square reality—and the jury is in—China has failed miserably in every category of human rights performance since 1989.

Mr. Speaker, I chair the International Operations and Human Rights Subcommittee. Since the 104th Congress began my subcommittee has held nine hearings on human rights in China and an additional half dozen hearings, like a hearing on worldwide persecution of Christians, where China's deplorable record has received significant attention. I have led or co-led three human rights delegations to the People's Republic of China. On one trip, Representative FRANK WOLF of Virginia and I actually got inside the Laogai Prison Camp and witnessed products being manufactured for export by persecuted human rights activists.

Mr. WOLF and I met with Le Peng, who responded to our concerns with disbelieving contempt and arrogance.

Mr. Speaker, each representative of the most prominent human right organizations made it quite clear—things have gotten worse in China and current United States policy has not made a difference for the better and has sent the wrong message to the Chinese Government and other nations in the region and around the world.

Last week at my subcommittee's hearing Dr. William Schulz, the executive director of Amnesty International testified that ''the human rights condition in China has worsened since the delinking of human rights and MFN. Despite rapid economic changes in recent years in China, which has led to increased freedom and some relaxation of social controls, there has been no fundamental change in the Government's human rights practices. Dissent in any form continues to be repressed.''

While Amnesty International takes no position on MFN, it is significant to note, Mr. Speaker, that Dr. Schulz reported that ''the delinking has given a clear signal to the Chinese Government that trade is more important than human rights considerations'' and that ''the message is clear, good trade relations in midst of human rights violations is acceptable to the U.S.''

Nina Shea, the director of the Puebla Program on Religious Freedom at Freedom House testified that ''China ranks at the bottom of the 1996 Freedom House Freedom in the World survey among the '18 Worst Rated Countries' for political and civil liberties.''

And if I might be allowed one more example of what my subcommittee heard, Mr. Speaker, Mike Jendrzejczyk, the Washington Director of Human Rights Watch/Asia testified that ''in recent months, Chinese authorities have ordered increased surveillance of so-called 'counter-revolutionaries' and 'splittists' (Tibetans, Uighurs and other national groups) and given even harsher penalties for those judged guilty of violating its draconian security laws. China has silenced most, if not all, of the important dissent communities including political and religious dissent, labor activists, and national minority populations. Their members have been exiled, put under house arrest, 'disappeared,' assigned to administrative detention, or subjected to economic sanctions and systematic discrimination in schooling and employment. Dissidents also continue to suffer criminal charges, long prison sentences, beatings and torture.''

Mr. Speaker, I've met with Wei Jingsheng in Beijing—before he was thrown back into jail—and was deeply impressed with his goodness, candor, and lack of malice toward his oppressors. it is unconscionable that this good and decent democracy leader is treated like an unwanted animal by the dictatorship in Beijing.

Mr. Speaker, the Clinton administration's celebrated delinking of most-favored-nation status from human rights in 1994 was a betrayal of an oppressed people of breathtaking proportions. Unfortunately, it was only the worst example of a broader policy, in which the U.S. Government has brought about an almost total delinking of human rights from other foreign policy concerns around the globe. As a candidate, Bill Clinton justly criticized some officials of previous administrations for subordinating human rights to other concerns in China and elsewhere. He called it ''coddling dictators.'' But the Clinton administration has coddled as few have coddled before.

Each year, as the time approaches for Congress and the President to review the question of most-favored-nation status for the Government of the People's Republic of China, members of Congress are approached by representatives of business interests to support MFN. Their argument is that constructive engagement is the best long-term strategy for promoting human rights in China.

The biggest problem with this strategy is that it has not yet succeeded in the 20 years our Government has been trying it. Our Government has been embroiled in a 25-year one-way love affair with the Communist regime in Beijing. There is no question that increased contact with the West has changed China's economic system, but there is little or no evidence that it has increased the regime's respect for fundamental human rights.

I have made an honest effort to try to understand why this is, if, as we Americans believe, human rights are universal and indivisible, then perhaps the extension of economic rights should lead to inexorable pressure for free speech, democracy, freedom of religion, and even the right to bring children into the world. And yet it has not worked. One possible reason is that although there has been economic progress in China, this has not resulted in true economic freedom. In order to stay in business, foreign firms and individual Chinese merchants alike must have government officials as their protectors and silent or not-so-silent partners. Yes, there is money to be made in China, and every year at MFN time, we in Congress get the distinct impression that some of the people who lobby us are making money hand over fist, but this is not at all the same as having a free economic system. Large corporations made untold millions of dollars in Nazi Germany. Dr. Armand Hammer made hundreds of millions dealing with the Soviet government under Stalin. Yet no one seriously argues that these economic opportunities led to freedom or democracy. Why should China be different?

For 20 years we coddled the Communist Chinese dictators, hoping they would trade communism for freedom and democracy. Instead, it appears that they have traded communism for fascism. And so there is no freedom, no democracy, and for millions of human beings trapped in China, no hope.

Another reason increased business contacts have not led to political and religious freedom is that most of our business people—the very people on whom the strategy of ''comprehensive engagement'' relies to be the shock troops of freedom—do not even mention freedom when they talk to their Chinese hosts. After the annual vote on MFN, the human rights concerns expressed by pro-MFN business interests often recede into the background for another 11 months.

During those 11 months, Mr. Speaker, the United States trade deficit with China continues to grow. In 10 years China rose from being our 70th largest deficit trading partner to our second largest. The deficit has grown from $10 million to over $33 billion. One-third of all of China's exports come to the United States and are sold in our markets. If China did not have the United States as a trading partner they would not have a market for one-third of their goods. China needs us, Mr. Speaker, we do not need China.

Our State Department's own country reports on human rights conditions for 1995 make it clear that China's human rights performance has continued to deteriorate since the delinking of MFN from human rights in 1994. In each area of concern—the detention of political prisoners, the extensive use of forced labor, the continued repression in Tibet and suppression of the Tibetan culture, and coercive population practices—there has been regression rather than improvement. And every year we find out about new outrages, most recently the ''dying rooms'' in which an agency of the Beijing government deliberately left unwanted children to die of starvation and disease.

Since February 1994—just 1 month into the Clinton administration—the United States has been forcibly repatriating people who have managed to escape from China. Some, although not all, of these people claim to have escaped in order to avoid forced abortion or forced sterilization. Others are persecuted Christians or Buddhists, or people who do not wish to live without freedom and democracy. Still others just want a better life. For over 3 years now, over 100 passengers from the refugee ship *Golden Venture* have been imprisoned by the U.S. Government. Their only crime was escaping from Communist China. In the last few months, several dozen of the *Golden Venture* passengers have been deported to China—some by force, some voluntarily because they were worn down by years in detention.

A few days ago I received an affidavit signed by Pin Lin, a *Golden Venture* passenger who through the intervention of the Holy See has been given refuge in Venezuela. He has received information from families of some of the men who have returned. The Chinese Government had promised there would be no retaliation. Contrary to these promises, the men who returned were arrested and imprisoned upon their return to China. Men who had been mentioned in U.S. newspapers or who had cooperated with the American press were beaten very severely as an example to others. The men and women remaining in prison—the men in York, PA, and the women in Bakersfield, CA—are terrified by these reports. And yet they are still detained, and they are still scheduled for deportation to China.

I ask the Clinton administration, please, let these people go. They have suffered enough. And I hope this House will send a strong message today—to the totalitarian dictatorship in Beijing, to the enslaved people of China and Tibet, and to the whole world—that the time has come to say enough is enough. It is clear that most-favored-nation status and other trade concessions have not succeeded in securing for the people of China their fundamental and God-given human rights. Now we must take the course of identifying the Beijing regime for the rogue regime that it is, a government with whom decent people should have nothing to do.

Mr. Speaker, the time has come for us to send a clear and uncompromising message to China and to the rest of the world: Human rights are important, human lives are more valuable that trade, the people of the United States do care more about the people of China than we do about profit. Now is the time to disapprove MFN.

Mr. LAZIO of New York. Mr. Speaker, debates over how to deal with China have raged

in this House for better than a century, and this year is no exception. The challenge of defining a relationship with this Asian giant has frustrated American policymakers for over a century.

The issue before us is not the record of the Chinese regime but whether the denial of MFN is the appropriate vehicle for influencing Chinese behavior. Of course, we continue to be troubled by China's human rights abuses, its failure to adhere to intellectual property agreements and its practice of violating international standards of nuclear non-proliferation. But denying MFN will not solve these problems.

The denial of MFN will significantly limit our economic interaction with China and in so doing will limit our ability to influence Chinese behavior. To be able to change China, we must maintain a significant and sustained trade relationship. A country the size and strength of the PRC is difficult enough to influence at our current level of trade. To deny MFN would be to eliminate any opportunity to modify Chinese behavior.

The most appropriate and effective way to exert influence is through consistent diplomacy and military preparedness. America must remain a visible beacon on the Chinese horizon. It is only through maintaining a strong and stable presence in Asia that we will be able to promote democratic reforms in China and in Asia generally.

We have much at stake in China. The Chinese alone sold China nearly $711 million in goods, with an additional $1.5 billion going to Hong Kong, which will become a part of China next year. Importantly, some 180,000 United States jobs rely on exports to China.

A United States unilateral trade embargo on China will not have the effect we desire. But it will cost American jobs because Japanese and European companies will quickly move to fill the void. Already there is talk in Brussels and Tokyo of playing the ''China card'' against the United States.

MFN simply is not the way to influence China. And that government should not feel that renewing MFN is a reward for its behavior. We must keep the pressure on all fronts to push for democratic reform. The pathway to democracy is through free and open markets, and renewing China's MFN status makes sense. We must not hold our trade policy hostage to the vehicle of MFN.

Ms. ESHOO. Mr. Speaker, the House of Representatives today will decide whether to extend most-favored-nation status on China. There are grave issues to be considered relative to this decision.

Trade.—On a strictly trade-for-trade basis, China does not reciprocate the benefits we grant to them with MFN. Only 2 percent of United States exports are allowed into China and the result is a $34 billion United States trade deficit with China in 1995. Ten years ago this figure was $10 million.

Piracy of U.S. Intellectual Property.—This issue represents a cost to the U.S. economy of $2.4 billion in 1995 alone, and does not include the loss to our economy from Chinese production and technology transfers which hurt our workers and diminish our economic future.

Proliferation.—China continues to transfer nuclear, missile and chemical weapons technology to unsafeguarded countries including Pakistan and Iran in violation of international agreements.

There is more. Human rights violations, the smuggling of AK–47's and other weapons into the United States by the Chinese military, the pointing of missiles at the democratic elections of Taiwan, and the occupation of Tibet.

While it can be said that these issues are not technically about trade, we must, in my view, work to resolve them as we trade. With this heavily weighted case against the Chinese, what we need today more than ever before is a policy, not a protest.

There must be a stiffening of the resolve of the administration to address the imbalance of trade and the balance of trade tariffs.

The private sector together with the Government must speak up and help forge not just a message but a policy.

My vote today to extend MFN is cast with the concern for the dangers of isolationism. One billion two million people cannot be ignored or isolated.

We paid, in my view, an enormous price in dollars and decades by isolating the Soviet Union.

I cast this vote with reservations—strong reservations which I've stated.

My hope is that the next time an administration seeks congressional approval of MFN status for China, that a policy will have been stated and carried forward, that China's record will be one of fairer trade, a freer political climate and a safer world.

Mr. SKAGGS. Mr. Speaker, we all want to see a China that cooperates in regional and global peacekeeping. We all want to see a China that follows international proliferation and trade rules. And we all want to see a China that respects human rights.

We can all agree on these goals.

The question is—How do we best reach them?

We have two China measures before us today. One measure, introduced by Mr. COX of California condemns China and instructs several House committees to hold hearings and to prepare legislation that will address serious and growing concerns with Chinese human rights abuses, nuclear and chemical weapons proliferation, illegal weapons trading, military intimidation of Taiwan, and trade violations.

This is a constructive measure which I will support.

A second measure seeks to isolate China. By disapproving renewal of so-called most-favored-nation [MFN] trading status for China, it would at best severely damage the already-troubled economic and political relationship between the United States and China. I call it ''so-called most-favored nation status'' because MFN simply confers on China the same trading status we give to all but seven other countries. MFN is not a special deal for China.

I will not support this measure, because I believe it would be counterproductive. Cutting off MFN would hurt the Chinese economy and put thousands of Chinese out of work. Given recent Chinese behavior in several areas, I admit there's a certain emotional appeal to this consequence. But, cutting off MFN would also hurt our economy and put thousands of Americans out of work. And it would also forfeit one element of leverage—however modest and problematic—we now have to influence the behavior of the Chinese Government.

If I thought revoking MFN would effectively bring the kind of change we want to see in China, I'd come down differently. But I don't believe it would.

Cutting off MFN would all but shut the door on the exchange of goods and services between the United States and China. It would subject Chinese imports to tariff levels set by the Smoot-Hawley Tariff Act just before the Great Depression. Tariffs would rise up to 70 percent on some Chinese goods. This would cost American consumers up to $29 billion per year. (Alternatively, other low-wage countries would take over in sectors where the Chinese were priced out.) The Chinese would certainly retaliate cutting off our imports and costing the jobs of perhaps 200,000 Americans currently making goods sold in China.

Cutting off MFN means that we lose the opportunity we now have to expose China to free market principles and values. China cannot participate in the global trading system without being increasingly integrated into the international community. To finance their expanding trade, the Chinese need foreign capital and foreign investment. This will eventually compel China to accept an international framework based on accepted rules. Yes, it's painful and often offensive to live through the period until that occurs. But that has to remain the objective.

Cutting off MFN also means that we will lose many of the person-to-person contacts that exist between American and Chinese businesspeople, diplomats, and students. These contacts are the most direct way we have to influence the way China evolves.

Finally, cutting off MFN means that we will take away the tools that the United States Government now has to deal with Chinese actions that harm our national interests. Just this month, the Clinton administration got the Chinese to enforce an intellectual property rights agreement by threatening sanctions of $2 billion of targeted Chinese exports. Earlier this spring, the administration used diplomatic pressure and the threat of economic sanctions in the ring magnets case to secure a commitment by China not to assist unsafeguarded nuclear facilities. In both instances, admittedly, the proof will be in long-term adherence to commitments. But, again, I believe it would be a worse and more dangerous relationship to deal with absent MFN, when these initiatives to shape Chinese behavior in a more positive way would not have been possible.

China's human rights record is still an abomination. But we do nothing to improve the situation by isolating China. I have long advocated improved human rights in China. After the 1989 massacre in Tiananmen Square, I organized a protest march of more than 2 dozen Members of Congress who walked across Washington from the U.S. Capitol to the Chinese embassy, where we met with their ambassador and presented in the strongest possible terms our view that the Chinese Government needed to change its ways.

Since that time progress has been far too slow. Chinese repression in Tibet, arbitrary detentions, forced confessions, torture and mistreatment of prisoners, along with restrictions on freedom of speech, of press, of religion, and of assembly, remain unacceptable. We must continue to expose Chinese atrocities and to demand expansion of universally recognized human rights. I hope that the resolution introduced by Mr. COX will contribute to this goal.

To date, we have pursued our human rights interests in China largely through bilateral diplomatic contacts. It will not be possible to

pressure the Chinese Government to release political dissidents and religious prisoners and to expand civil rights if we initiate a trade and diplomatic war by voting to disapprove MFN renewal.

Engagement does not work as quickly as we would all like. It will take time for trade, investment and foreign enterprise to break down the iron grip of power that the Chinese Communist Party holds over its people. But American trade and the products we send to China—fax machines, televisions, satellite dishes, cellular telephones, computers, books, movies—carry the seeds of change. Ultimately, China cannot sustain the economic liberalization supporting its trade with the United States without seeing an inevitable erosion of its political isolation and its authoritarian regime.

Mr. Speaker, I urge a ''yes'' vote on the Cox measure and I urge a ''no'' vote on the measure to disapprove MFN status for China.

Mr. FAZIO of California. Mr. Speaker, I rise today in opposition to the disapproval resolution of most-favored-nation [MFN] status for the People's Republic of China.

Opponents of MFN have legitimate grievances with China, and I share them. But quite simply, despite having the right reasons, this is the wrong tool.

I do not dispute the fact that China has a poor track-record on human rights. I cannot overlook that China has sold nuclear ring magnets to Pakistan. Moreover, the $33 billion trade deficit with China is undisputable.

Many of my colleagues believe that denying MFN status will send a strong signal to the Chinese Government that America is ready to play hardball. Quite frankly, I think the whole idea behind annual review of MFN status needs to be re-evaluated. Only six countries in the world—including Cuba, North Korea, and Vietnam—do not enjoy MFN status. Even Iran, Iraq, and Libya are considered Most-Favored-Nations.

Targeted trade sanctions are the best way to get the attention of the Chinese—not the hollow-threat of revoking MFN.

Recent trade negotiations by Ambassador Barshefsky to stop the production of pirated software and compact discs prove that the threat of sanctions is the way to wrest compliance from the Chinese. Had MFN not been in force, she would never have had the opportunity even to address the problem.

There is too much at stake to throw away our 25-year investment in building a United States-China relationship by declaring a trade war. Trade with China is too important for the American economy—last year, over $1 billion worth of wheat and cereal were exported to China. In fact, China is the world's second largest importer of rice and the sixth largest market for grain.

Trade with China is too important to Californnia and my congressional district. California has exported over $1.4 billion worth of goods to China, and 25,000 jobs directly attributed to exports.

I urge my colleagues to oppose this disapproval resolution if they are concerned about China. We cannot expect the Chinese to listen to the concerns of the international community if we drive them away. It is only by engaging in constructive communication can we address the many grievances that exist between our two countries. China is poised to become an economic and military rival in the next century—continued dialog between Beijing and Washington is vital to protect our national interests.

Mrs. LOWEY. Mr. Speaker, I rise in opposition to the resolution.

Today we are confronted with a very difficult decision.

China is one of our Nation's most important trading partners. China contains one-fifth of the world's population and is the fastest growing market in the world for American goods and services. Trade with China creates jobs here at home and stimulates economic growth in the United States.

Yet we also know that the Chinese Government abuses the civil rights of its citizens. It violates international trade laws. And China continues to harass Taiwan and violate nuclear proliferation treaties.

Our Government must never tolerate these actions. We must hold the Chinese Government responsible for its behavior and convince them to change it. We must continue to pressure China to improve its record.

Mr. Speaker, revoking China's MFN status will not accomplish these goals.

In fact, I believe that continuing our free trading relations with China is the best hope we have of bringing real progress there. If we cut ourselves off from China we lose any leverage we have over the Chinese Government. The United States must remain engaged in China to promote our ideas, to promote democracy, and to promote human rights. Renewing MFN allows us to shine a flashlight on China's problems and change them.

And approaching China with a policy of engagement also has rewards for United States foreign policy beyond the borders of China. China has played an active and constructive role in securing the Asia Pacific Economic Cooperation forum's commitment to free trade and investment in the entire Asia Pacific region. China has also played critical roles in United States efforts to secure a nuclear-free Korean peninsula and the historic four-party peace proposal announced by Presidents Clinton and Kim in April.

Mr. Speaker, MFN does not extend any special treatment for China. Indeed, all but six nations in the world have MFN status. Rather, MFN is about engagement. MFN status will pressure China to improve its behavior and encourage China's integration into the world economy through exposure to United States values. The United States must also continue to pressure China through diplomacy and ongoing trade talks. We can get results from the Chinese without revoking their MFN status.

Of course, revoking MFN would also jeopardize thousands of American jobs and billions of dollars in United States exports to China.

At least 170,000 American jobs are supported by United States exports to China, and that number rises every year. Exports to China increased 27 percent last year alone, bringing total United States exports to nearly $12 billion. My home State of New York alone sent over 368 million dollars' worth of machinery, transportation equipment, fabricated metal products, and other goods to China last year.

Mr. Speaker, the debate over China's most-favored-nation status cannot bear the weight of the entire bilateral relationship between the United States and the People's Republic of China. We have serious disagreements with China, but we cannot turn our back on the world's most populous nation. Cultivating and engaging trading partners must be the cornerstone of our economic and foreign policies. I urge the resolution's disapproval.

□ 1600

The SPEAKER pro tempore (Mr. LAHOOD). All time for debate has expired.

Pursuant to House Resolution 463, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

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

RECORDED VOTE

Mr. CRANE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 286, as follows:

[Roll No. 284]

AYES—141

Abercrombie	Gephardt	Payne (NJ)
Baker (CA)	Gillmor	Pelosi
Barr	Gilman	Pombo
Barton	Goodling	Porter
Boehlert	Gordon	Rahall
Bonior	Greene (UT)	Riggs
Borski	Gutierrez	Rivers
Brown (OH)	Hastings (FL)	Rogers
Bunning	Hayes	Rohrabacher
Burr	Hefley	Ros-Lehtinen
Burton	Hefner	Rose
Cardin	Heineman	Royce
Chenoweth	Hinchey	Sabo
Clay	Hoke	Sanders
Clayton	Horn	Scarborough
Clyburn	Hoyer	Schroeder
Coble	Hunter	Seastrand
Coburn	Hutchinson	Sensenbrenner
Collins (GA)	Inglis	Sisisky
Collins (IL)	Jackson (IL)	Slaughter
Collins (MI)	Jones	Smith (NJ)
Costello	Kaptur	Smith (WA)
Cox	Kennedy (MA)	Solomon
Coyne	Kennedy (RI)	Souder
Cummings	King	Spence
Cunningham	Kingston	Spratt
Deal	Klink	Stark
DeFazio	Klug	Stearns
DeLauro	Lantos	Stokes
Dellums	Lewis (GA)	Stupak
Diaz-Balart	Lewis (KY)	Taylor (MS)
Doolittle	Lipinski	Taylor (NC)
Dornan	Longley	Thompson
Duncan	Markey	Torres
Durbin	McInnis	Torricelli
Ehrlich	McKinney	Traficant
Engel	Menendez	Velazquez
Ensign	Miller (CA)	Vento
Evans	Mink	Visclosky
Everett	Molinari	Walker
Fields (LA)	Mollohan	Wamp
Forbes	Nadler	Waters
Fowler	Oberstar	Waxman
Frank (MA)	Obey	Wolf
Frisa	Olver	Woolsey
Funderburk	Owens	Wynn
Gejdenson	Pallone	Yates

NOES—286

Ackerman	Baldacci	Becerra
Allard	Ballenger	Beilenson
Andrews	Barcia	Bentsen
Archer	Barrett (NE)	Bereuter
Armey	Barrett (WI)	Berman
Bachus	Bartlett	Bevill
Baesler	Bass	Bilbray
Baker (LA)	Bateman	Bilirakis

Bishop
Bliley
Blumenauer
Blute
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clement
Clinger
Coleman
Combest
Condit
Conyers
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Danner
Davis
de la Garza
DeLay
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
English
Eshoo
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Ford
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Geren
Gibbons
Gilchrest
Gonzalez
Goodlatte
Goss
Graham
Green (TX)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hyde
Istook
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kasich
Kelly
Kennelly
Kildee
Kim
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McIntosh
McKeon
McNulty
Meehan
Meek
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pomeroy
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Rangel
Reed
Regula
Richardson
Roberts
Roemer
Roth
Roukema
Roybal-Allard
Rush
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Stenholm
Studds
Stump
Talent
Tanner
Tate
Tauzin
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Towns
Upton
Volkmer
Vucanovich
Walsh
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—6

Flake
Hall (OH)
Lincoln
McDade
Peterson (FL)
Stockman

□ 1619

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

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

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

N O T I C E

Incomplete record of House proceedings.

Today's House proceedings will be continued in the next issue of the Record.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, THURSDAY, JUNE 27, 1996 No. 97

Senate

The Senate met at 8:15 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, Msgr. Peter Vaghi, St. Patrick's Church, Washington, DC.

PRAYER

The guest Chaplain, Msgr. Peter Vaghi, offered the following prayer:

Let us pray:

Almighty God, we call upon You this day. Make each one of us more deeply conscious of Your presence in our midst and in our lives. Because of You, ''we live and move and have our being.''—Acts 17:28. O Lord, help us see You more clearly in all that we do and are—particularly in this Chamber where laws are made.

It is Your law, after all, the law of love which You continue to inscribe on our hearts which alone gives us peace. Lifting our hearts and voices to You, we pray on this June day that ancient Hebrew psalm: ''O Lord, great peace have they who love Your law.''—Psalm 119.

As servants and guardians of the law on Earth, give us that peace in abundance. Fill us with Your peace and love, a love which makes us ever more sensitive and vigilant to You and Your presence in those we are called to serve.

Almighty Father, continue to encourage us in all our humble efforts carried out in Your life-giving name. Amen.

Mr. DOMENICI addressed the Chair.

The PRESIDENT pro tempore. The able Senator from New Mexico.

APPRECIATION TO MSGR. PETER VAGHI

Mr. DOMENICI. Mr. President, I rise to thank Msgr. Peter Vaghi for leading the Senate in prayer this morning and to tell the Senate that Reverend Vaghi and I have been friends for a long time. We met in a casual way, as commuters on a train. A few years after that, Father Vaghi decided to continue his education and to seek to be a priest, and, for three summers, while he was getting educated, I had the luxury and privilege of having him work summers in my office.

I found him to be an extraordinary human being. As I saw his extraordinary qualities then, I am privileged, from a distance, to watch those extraordinary qualities develop as he attempts in his ministry to lead people in the way of the Lord. I am very grateful that he chose to come today, and I thank our Chaplain for inviting him.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. HATFIELD addressed the Chair.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Oregon is recognized.

SCHEDULE

Mr. HATFIELD. On behalf of the Republican leader, I would like to indicate, as the Chair already stated, this morning there will be a period for morning business until the hour of 9:30 a.m. Following morning business, the Senate will resume consideration of S. 1745, the DOD authorization bill. Pending will be a Nunn-Lugar-Domenici amendment regarding terrorism, on which there will be 10 minutes of debate time remaining.

Following the expiration or yielding back of time, the Senate will proceed to a vote on or in relation to the Nunn-Lugar-Domenici amendment, to be followed by a vote on a motion to invoke cloture on the DOD authorization bill, if necessary.

If all debate time is used, Senators can expect those rollcall votes to occur at 9:40 a.m. Rollcall votes are expected throughout the day on the DOD authorization bill, and a late night session is expected in order to complete action on the bill.

I yield the floor.

The PRESIDENT pro tempore. The distinguished Senator from Washington, [Mrs. MURRAY] is recognized to speak for up to 10 minutes.

Mrs. MURRAY. Thank you, Mr. President.

SYMPATHIES TO THE FAMILIES OF UNITED STATES SERVICE PERSONNEL IN SAUDI ARABIA

Mrs. MURRAY. Mr. President, let me just take this opportunity to extend to the families of the young men and women who lost their lives, and who were injured in Saudi Arabia a few days ago, my heartfelt thoughts and prayers.

It is certainly our duty to protect those who we send overseas to protect us, and we cannot allow terrorist activities to threaten the lives of our young Americans.

I really want to commend the President this morning for his strong and swift action, and again extend my deepest sympathies to those families.

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

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MFN TRADE STATUS FOR CHINA

Mrs. MURRAY. Mr. President, I come to the floor today to discuss most-favored-nation trade status for the People's Republic of China. The Congress is set to begin the sixth annual review of China's trade status. In my mind, this is one of the most important issues, one of the most important debates the U.S. Senate will undertake this year. This is the first in a series of remarks I will make regarding the importance of United States-China relations. It is my hope that the Congress and this country can begin to view our China relations in the broadest possible terms. Whether we like it or not, our future interests are intertwined with China. And today's choices will greatly influence whether our interests coincide or collide.

This month many Americans took time to remember the Tiananmen Square massacre and the horrible events of 7 years ago. Tiananmen Square forever changed the China debate in the Congress and in this country. This year, on June 4, a young woman was dragged from Tiananmen Square by the police for placing a bouquet of yellow chrysanthemums near the Memorial to the People's Heroes. To this day, the Chinese leaders fail to recognize that actions like this only serve to remind the international community of the ongoing struggle for personal and political freedom in China. The promotion of human rights will always be a fundamental element of my work on China, indeed, human rights should always be a priority for United States policymakers.

When this issue is considered by the Senate later this summer, I will vote again to renew China's MFN status. I will vote to renew MFN because it is immensely important to every corner of Washington State—where thousands of current jobs rely on China trade and where thousands of new jobs stand to be created as China integrates into the world economy. Having acknowledged the economic importance of this issue to Washington State, I want to stress and demonstrate that MFN for China is in our national interest.

One in five people on Earth live in China. More than 1.5 billion people speak a Chinese dialect. More than one-half of the world's population lives within 5-hour flight radius of Hong Kong on China's southern border. It is an immense population that impacts us all in so many ways—the world's food supply, pollution problems, and the use of natural resources to name a few. Thanks to technology—in communications and in travel—the world is shrinking. Neither the United States nor China can hide from the fact that we are being drawn closer together each and every day. The United States has the ability to cooperatively influence China's development; we must not shy from this opportunity to aid both the American and the Chinese people.

China's military presence in Asia is increasing; as demonstrated in the Taiwan Straits and in the Spratly Islands. China is a nuclear power and maintains a permanent seat on the U.S. Security Council. The prospect of China assuming the leadership role in Asia has the entire region rattled. Most events in Asia—including North Korea, the expansion of ASEAN, and talk of Japan forming an Army—are all related to and impacted by China. Asia is looking for signs that the United States will remain an active and engaged player in the region. The United States role in Asia remains fundamental to United States strategic and economic security; we are a stabilizing force in Asia and we must continue this peaceful role.

Some in this country, as a result of China's military expansion and belligerent threats against Taiwan, argue that the United States should take a more adversarial, confrontational approach to China. We borrowed and spent several trillion dollars to win the cold war. I think it is foolish to listen to those who preach another cold war for this country. We owe our children, indeed the children of the world, more than a second cold war confrontation that will take valuable and limited resources away from food and shelter, education, health care, and the opportunity to prosper in peace.

Rather than view China as a threat to the United Stats, we must view China as a challenge and an opportunity to shape the world of the 21st century. China's evolution from isolation to world player cannot be stopped or contained, our task is to work with the world to integrate the giant as she awakes.

China's economy is now the third largest in the world currently growing at an annual rate of 10 percent. It will become the world's largest economy shortly after the turn of the century. China wants to join the World Trade Organization and is currently negotiating with the United States over accession terms. We have a responsibility to bring China into the global trade community and to ensure that China plays by the accepted rules.

I believe the annual congressional MFN exercise for China has outlived its usefulness. The annual review, in my mind, encourages uncertainty and inconsistency and may actually harm, not help, United States interests. Each year, as the MFN debate approaches, the administration and the Chinese engage in a chest thumping nationalistic exercise; each side claims to have coerced and resisted the other. The Result is every summer the United States-China relationship is put on hold or setback for many months. During this period, all constructive engagement with the Chinese is slowed or halted—CD's continue to be pirated, activists continue to be arrested, and United States jobs are lost as trade opportunities go elsewhere.

One of my greatest frustrations with the annual MFN exercise is our failure in Congress to realize that we are changing China, we are having an impact on China today. The next generation of Chinese leaders will not be Soviet trained engineers like the current leaders. Rather, they will be American and Western educated; familiar with the United States and receptive to the ideals we preach. Each year, thousands of Chinese university students experience America. Every major university in this country is engaged in a quiet diplomacy that will pay democratic dividends for decades.

U.S. law enforcement personnel, judges and legal scholars are aiding in the development of the rule of law in China. United States Customs personnel are assisting the Chinese to implement accepted international trade norms. American students and university professors are scattered throughout China interacting with fellow students and academics, local government leaders, and the business community. Cultural, athletic, military, and scientific exchanges are all quietly opening China up to the world.

I recently had a young man from China visit my office. He graduated from a Chinese university in 1980 and was assigned to a work unit as a teacher. As Deng's economic reforms began, this young man was one of the first Chinese nationals to leave his work unit for employment with a foreign investor. Today, he owns an apartment many times the size of his childhood home. When we talked about his 6-year-old daughter, I could see he has aspirations for her that were alien to Chinese thought just a few years ago.

These types of successes are difficult for the Congress to factor into the MFN debate because they carry no organized constituency, and they rarely make headlines. But they are happening.

As the Senate turns to MFN for China I am encouraged that so many of my colleagues—Democrat and Republican—have indicated their strong support for renewal. Many distinguished Senators from all regions of the country have spoken on the floor and this issue clearly enjoys bipartisan support. In a year filled with partisan Presidential rhetoric, it is truly noteworthy that so many public officials including both Presidential candidates are speaking out in favor of MFN renewal.

Next year, I intend to urge the administration and Congress to end the annual MFN renewal debate for China. Some may consider this an optimistic view, but I genuinely believe that we will make more progress on human rights, on trade matters, and on Asia security if we move away from the annual review of MFN.

Instead of the annual MFN vote, I intend to urge the administration, regardless of political party, to take China relations to the next important level. This has to include a state visit to China by the President and a reciprocal visit to Washington by China's President Jiang Zemin. A regular dialog between our two leaders can make

a significant difference in our efforts to engage China on all of the issues of importance to the United States.

I do not suggest that Congress cede all interest in China to the administration. Rather, Congress and the administration have to work together to deploy all of our policy and legal tools to influence Chinese behavior. It is time for the Congress to trade in the annual summer verdict on China for a more activist, longer term approach to China and the important Asia Pacific region.

The administration's intellectual property rights dispute with China is one example of United States interests working cooperatively on a specific China problem. Congress backed the administration throughout this process, and as a result we had a widely supported, justifiable response to Chinese piracy. The Chinese knew the seriousness with which the United States viewed this issue, and there is no doubt in the United States resolve. United States negotiators were invited by the Chinese back to the negotiating table, and as a result an agreement was reached. China has taken or agreed to a number of important steps to address our concerns.

These Chinese actions include the confirmed closing of 15 factories that were pirating our technologies, a sustained police crackdown in regions where piracy is rampant, and closer cooperation with United States and Hong Kong custom officials to stop these pirated exports.

I want to take this opportunity to commend Charlene Barshefsky, our acting U.S. Trade Representative, and her negotiating team. Ambassador Barshefsky, I am convinced, will be a spectacular Trade Representative, and I am anxious for the Senate to begin her confirmation process.

I believe the IPR example serves as a useful model to move our China relationship forward. Our relationship with China is our most complex and our most difficult. Our successes are hard to measure and our frustrations with them are difficult and easily recognized.

Before concluding, let me restate my purpose in speaking this morning. The United States and China are at a crucial moment in time. Our interests today and into the next century are linked. They cannot be separated or ignored. As policymakers, what we do in this Chamber will go a long way towards determining whether those shared interests coincide to the mutual benefit of the American and the Chinese people or whether those interests collide and create an adversarial relationship clouded by suspicions.

I believe we have to engage the Chinese side—on all of the issues of importance to the American people—and in the coming days I look forward to engaging my colleagues in greater discussion about the importance of United States-China relations.

I thank the Chair. I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Vermont, Mr. LEAHY, is recognized for the next 15 minutes.

Mr. LEAHY. I thank the Chair.

MY MOTHER, ALBA LEAHY

Mr. LEAHY. Mr. President, 12 years ago, I stood on the Senate floor to give the most difficult speech I have ever given. I gave a eulogy to my father and a remembrance of his life. Today is also such a difficult time as I remember my mother, Alba LEAHY, and her life which ended last month.

It was an ending not really expected because while she was aging, she was of a family where so many lived well into their 90's, but it appeared that she was more ready to leave than we were ready to have her go.

So as I stand on the floor of the Senate today, I remember a trip with my mother just a matter of weeks before she died. It was one of those beautiful clear days in Vermont when our State moves from winter to spring, and even though there was snow on the ground, the sky was a bright blue and the warm Sun caused the snow to drip from the trees and the brook to run in and out through the ice beside our home.

My mother and I had driven to our farmhouse in Middlesex, VT. It was the same farmhouse that she and my father bought back when I was only 17 years old. We talked of the hundreds of friends my parents had for meals and conversation and companionship at that farm. We talked about how my wife, Marcelle, and I had our first date at that farm and our honeymoon there and how eventually the farm became Marcelle's and mine.

I still remember sitting in that living room, the mountains in the distance, and the Sun coming through the windows behind where my mother was sitting, Sun that glowed on her white hair. Then we talked, as we had occasionally during the past year, of death and dying, and I promised to give this eulogy as I had for my father when that time came, and she quickly said, ''Don't make it sad. I have had a very good life except that I miss your father.''

So as I prepared for today, the memories came back of the mother I knew who read to me, who stayed awake all night to care for me when I nearly died of pneumonia as a child, who baked me cookies to bring back to college, who stood with my father at my wedding, the christening of our children, through election nights, and as I took the oath of office in the Senate.

I thought of the number of times she would go to functions with me in Vermont, especially after my father died. Both of them enjoyed going to such events with me.

So at the funeral in Vermont last month, friends and family joined us at St. Augustine's Church in Montpelier, the church where my parents had been married 60 years ago. We spoke of the many generations that were connected that day, from her Italian immigrant parents, my grandparents, who came to this great country with nothing but the faith in our Nation and their own skills, to the children and the grandchildren and the great grandchildren surviving her today.

Throughout it all, we talked of the total love of Alba and Howard Leahy and how she had mourned him since he died even as she continued the love they both had for their children and their children's children.

Her physician, Dr. David Butsch, told us of the influence she had had on him and his wife and their children and how she was one of those special people one often meets only once in a lifetime.

Her granddaughter, Theresa Leahy, told how she always turned to her grandmother for advice and encouragement—and it was always there for her even to the last day of her life. As Theresa stood on the altar and faced that congregation, it was so obvious the special bond they had.

Her grandson, Kevin Leahy, said, ''My grandmother defined her life by the people who shared it with her. It was family; it was relationships; it was her friends and the friends she made into family that defined her, and it was through the stories she would tell of the people that meant so much to her that Grandma showed how much she loved so many people.''

Marcelle and I had talked with her just a few hours before she died as we were actually making plans for our next time together, plans for just a few days later.

My brother John and his wife Jane, had seen her just a few days before. And my sister Mary, who gave so much of herself in caring for our mother after Dad died, was with her at the end, as she had been every time Mother had needed her.

When we left the funeral, and returned to the farm in Middlesex where my mother and I had talked of the day I would give this eulogy, it was to celebrate her life.

Her grandchildren, Theresa, Kevin, Alicia, and Mark, together with Kevin's wife, Christianna, Alicia's husband, Rob were there and we were joined by Mark's wife, Kristine, by phone. Mother's older sister, Enes and sister Anne, husband, Matt, and brother Louis and wife Myrth joined John, Jane, Mary, and Marcelle and me as we remembered with joy her life. She would have been so pleased as she saw all the people who came through the house representing friendships going back more than 50 years straight through to the present.

Stories were told of the years my parents owned and ran the Waterbury Record newspaper, how they founded and ran the Leahy Press until selling it upon retirement, of their early courtship, life at 136 State Street and Three Dover Road, Mom's volunteer stint as a State House guide after Dad died, her caring for us all with love and ''good

butter and eggs'' and a smile that lit the room.

And as we laughed and cried, remembered boisterously and loved silently, Kevin's words as he finished his eulogy in the church, came to me:

We are not sad today. No matter how much we may hurt, no matter how much we miss you, we are happy about and grateful for everything you showed us and for bringing so many of us together with your stories, your laughter, and your love.

Today, I remember with joy with the life of my mother.

I ask unanimous consent that two articles from the Times-Argus, in Vermont, be printed in the RECORD, and yield the floor.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ALBA Z. LEAHY

MONTPELIER.—Alba Zambon Leahy, 86, died May 5, 1996, in Central Vermont Hospital in Berlin.

Born in South Ryegate on Aug. 21, 1909, she was the daughter of Peter and Vincenza Zambon, and attended schools in Vermont and New Hampshire.

On June 1, 1936, she was married to Howard Francis Leahy in St. Augustine Church in Montpelier. They owned and operated the Waterbury Record, a weekly newspaper, and Leahy Press in Montpelier. Their interest in Leahy Press was sold when they retired in the 1970s. During retirement, Mrs. Leahy was a volunteer guide at the Vermont State House, an active parishioner of St. Augustine Church and a member of Vermont Federation of Women's Clubs of Vermont in Montpelier.

Survivors include one daughter, Mary Leahy of Marshfield; two sons, John Leahy of Clayton, N.Y., and Sen. Patrick Leahy of Middlesex; several grandchildren and great-grandchildren; one brother, Louis Zambon of Ohio; two sisters, Enes Zambon of Shelburne and Anna Donovan of West Yarmouth, Mass.

Mr. Leahy died in Feb. 7, 1984. Two brothers, Severino Zambon and John Zambon, are also deceased.

A Mass of Christian Burial will be celebrated Wednesday at 11 a.m. in St. Augustine Church. Burial will be in Green Mount Cemetery.

Calling hours will be held Tuesday from 7 to 9 p.m. at Guare & Sons Funeral Home, 30 School St., Montpelier.

Memorial contributions may be made to: Sisters of Mercy Retirement Fund, 100 Mansfield Ave., Burlington, VT 05401.

ALBA LEAHY RITES

MONTPELIER.—A con-celebrated funeral Mass for Alba Zambon Leahy who died May 5, 1996 in Central Vermont Medical Center in Berlin, was offered Wednesday at 11 a.m. in St. Augustine Church. Con-celebrants were the Most Rev. Moses Anderson S.S.E., the Rev. Bernard E. Guadreau, pastor of the church; the Rev. Rick Danielson, parochial vicar of the church; the Rev. Charles Davignon, the Rev. Marcel Rainville, S.S.E.; and Deacons Regis Cummings and Dan Pudvah. The Rev. Jay C. Haskin was the principle celebrant.

Organist Dr. William Tortolano, provided accompaniment for soloist Martha Tortolano, who sang ''All Creatures of Our God and King,'' ''Ave Maria,'' ''Agnes Dei,'' ''Panis Angelious,'' ''I Love You Truly'' and ''Hymn of Joy.''

Scriptures were read by Sister Rose Rowan. Offertory gifts were brought to the altar by Theresa Leahy and Alicia Leahy Wheeler. Reflections were offered by Dr. David Butsch, Theresa Leahy and Kevin Leahy.

Bearers were Kevin Leahy, Mark Leahy, Robert Zambon, Carl Zambon, Rob Wheeler, J. Wallace Malley Jr., and Tim Heney. Ushers were Fred Bertrand, Tom Ford and Paul H. Guare.

Burial was in Green Mount Cemetery in Montpelier where committal prayers were offered by Father Gaudreau, Father Haskin and Father Davignon.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A PLEDGE AGAINST VIOLENCE

Mr. WELLSTONE. Mr. President, I come here to the floor today to speak on a resolution that later will be submitted by Senator BRADLEY from New Jersey. It is a resolution that I intend to submit with him. Senator BRADLEY was unable to be here this morning at this time. I am faced with a personal health situation with my daughter back in Minnesota, so I do not have any prepared remarks, but I think the resolution is important, and I just want to take a minute or two to speak about it.

This is going to be a resolution that deals with asking students throughout our country to declare that they will never bring weapons to school, that they will not use a weapon to settle disputes, and that they will use their influence among their friends to say, ''There's no place for guns and violence.''

As I said, I am not prepared to speak about the resolution at great length this morning, but I do think it is important—very important. I think the cynical view about such a resolution is, ''Sure, to ask students across the country to take such a pledge, how many of them are going to do it and is it really going to make any difference at all? Those students who bring guns to schools, for a whole myriad of reasons, will be the last ones to sign a pledge or who, if they sign a pledge, the last ones to ever live by it.''

I actually think maybe it is the cynicism that we ought to overcome. There is a wealth of talent. I am in a school in Minnesota every 2½ to 3 weeks during the school year. There is a wealth of talent and good will and positive attitudes in students across our country. We do not hear enough about them.

There are other students who bring guns to school because they feel they have no other choice but to protect themselves. Someone has to light a candle. Somebody has to light a candle. I think this resolution we are going to submit and this pledge effort across the country is important, because I think the students are going to be the ones to light the candle.

I think that this resolution and this pledge effort is important because it calls upon the students to be their own best selves, and I think the students are ready to do so.

It is really shocking to me that when I am in schools and I ask students, ''What are the most important issues to you, what are the concerns of your lives; you do not have to be an expert, just tell me,'' almost always, whether it is in the inner-city schools or whether it is in rural Minnesota or whether it is suburban schools, they say violence.

I do not remember the exact statistics, but I think about every 2 hours a young person is killed by someone using a gun in our country. I think every 4 hours a young person, that is 18 years of age and under, takes his or her life. These are pretty devastating statistics for any of us in the Senate to accept, for any of us who are parents or grandparents to accept, for any other citizens in our country to accept.

I do not know that there is any guarantee of success for this resolution that Senator BRADLEY and I will submit, which will be part of a pledge effort around the country. But I think many students are willing to step forward and to light a candle. I think there are going to be students around the country who will do this as an exemplary action.

You know what, Mr. President, sometimes it just takes a few people to step forward and, through their actions, they provoke the hopes and aspirations of other people. I think students will step forward and will sign this pledge in a lot of different schools across our country, in rural and suburban and inner-city schools. I think by doing so, it will not be cynical, it will be positive, it will be full of hope, and I think a lot of discussion will take place around this effort.

I think those students who do this first will be setting an example, setting a model. I think just by signing the pledge and talking to others about signing the pledge, about not bringing guns to school, not using guns to settle disputes, taking a nonviolent approach, trying to deal with guns and violence among young people, it can be one really significant thing for our country.

I am pleased to speak about this, although today I do not have prepared text. When Senator BRADLEY submits his resolution, I will be very proud to submit it with him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

YOUNG PEOPLE AND GUN VIOLENCE

Mr. BRADLEY. Mr. President, I would like to alert the Senate that in the week of July 9, when the Senate returns after the recess, Senator WELLSTONE and I, and a number of other Senators on both sides of the aisle, will be submitting a resolution that will designate October 10, 1996 as a day of national concern about young people and gun violence.

The announcement, I think, will be broad enough to include all segments of the political spectrum in a resolution to urge the reduction of gun violence among young people in this country. I believe that this is a very important initiative. There will be more information to come. This is simply to highlight the point that the first week back will be a major effort to get the Senate on record to make a very clear statement about young people taking pledges against the use of guns in their lives.

Senator WELLSTONE spoke about that earlier today in morning business.

Mrs. BOXER. Will the Senator yield for a question on that point?

Mr. BRADLEY. Yes.

Mrs. BOXER. I thank the Senator, and I want to ask him a question. I have introduced a bill with the Senator from New Jersey and with the Senator from Rhode Island, Senator CHAFEE, which would essentially extend the ban on imported junk guns to junk guns made here. I cannot praise the Senator enough for bringing this issue to our attention.

Is it not true that nationally now the leading cause of death among young people from date of birth to age 19 is guns? In my home State of California, it is the first leading cause of death.

Is that the Senator's understanding, and will he, at the time he brings this resolution, look at legislation like this, discuss it so that the American people can be aware there are things we can do to stop the proliferation of these junk guns?

Mr. BRADLEY. As the Senator from California knows, I agree with her and with Senator CHAFEE wholeheartedly on the handgun issue. But the resolution that we will be bringing forward when we come back in July is a very simple resolution. It is aimed at young people in the country to get them to take action.

It will establish October 10 as a national observance to counter gun violence, and it will ask young people across this country to take a pledge that, one, they will never carry a gun to school; two, they will never resolve a dispute with a gun; and three, they will try to use their influence with their friends to keep them from resolving disputes with guns.

That is the resolution. That is what our hope is that this will become a very popular thing in the country among young people; that we will begin to see that influence felt across America; that we will have cosponsors on both sides of the aisle to make this very clear statement.

I might say, this is an initiative that was started in the State of Minnesota, and it was started by some very public-spirited citizens who will have a big impact on, I think, the whole history of this country if we can get this pledge as popular in schools across this country as Reeboks are today or Nikes or any of the other shoes that people want to wear when they are younger than you or me.

Mrs. BOXER. Will the Senator yield for one more question?

Mr. BRADLEY. Certainly.

Mrs. BOXER. The reason I have asked the Senator to yield again is because I am so pleased about this initiative.

What the Senator is saying is that responsibility is very key here. Clearly, if young people decide it is out of fashion to carry a weapon of choice, even though they can still buy one for $25 because they can get these junk guns, that will be a tremendous step forward.

I thank the Senator for bringing it to the Senate's attention, and I hope he will add me as a cosponsor to this effort.

Mr. BRADLEY. I thank the Senator from California. I certainly will. I hope that by the time we introduce this resolution in July we will have 100 cosponsors.

Mrs. BOXER. I agree.

Mr. BRADLEY. This is something that should be an unequivocal message for anybody in the Senate that cares about gun violence and young people in America, which I presume is every Member of the U.S. Senate.

I thank the Chair and the managers for yielding.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered. The Senator from Wyoming is recognized for 30 minutes.

Mr. THOMAS. Thank you.

HEALTH CARE IN AMERICA

Mr. THOMAS. Mr. President, we wanted to continue our effort with the freshmen focus to bring to the Senate some of the views that from time to time may be unique because we are freshmen, unique because this is the first term we have served here, I suppose unique because, perhaps, we are a little impatient to move forward.

Of course, all of us have great respect for the traditions, but sometimes it is a little discouraging to say, ''Gee, we ought to be doing something a little different,'' and to hear, ''Well, it's the way we've done it for 200 years,'' you know. And there is some merit to the 200 years thing.

I want to talk a little bit this morning—and I will be joined by a number of my colleagues—about health care and about the issues that surround health care. I suppose, in a broader sense, we are talking about choices, talking about issues, and the choices we have among issues, the choices that we have as to the ways in which we can accomplish the things that all of us want to accomplish.

I do not think there is a soul in here who does not want to move forward with health care. There is no one in the Congress, there is no one in the country who does not want to create a program in which there are greater opportunities for American families to have access to superior health care. Nobody quarrels with that.

The quarrel, of course, comes in, how do you do it? There are legitimately different views as to how you accomplish the things that we want to accomplish.

Unfortunately, some of it is promotional rhetoric. We make great speeches about wanting to do this, accomplish health care for American families and so on, but then when we get down to it, why, there are differences. One of the differences, of course, was highlighted in the last 2 years when the proposal was to have a federalized health care program—a legitimate point of view: Have the Federal Government provide basically health care for everyone in this country. That idea was rejected, soundly rejected, I think, throughout the country. I happen to think that was a good idea to reject it, that we are better off to strengthen the opportunities for health care in the private sector.

So that is where we are. I have to tell you that sometimes one wonders if the opposition to what we are doing now is not an effort to move back to the idea of having the Federal Government provide health care for everyone. But nevertheless, now we are on a new track. Now we are on the idea of, how do we strengthen the health care program in the private sector?

I guess the real question we ought to ask ourselves is, can we do better in providing health care? And the answer is, yes, of course, we can. We have made some progress in the last couple years, made it in the private sector.

In my State of Wyoming, there has been substantial progress made in terms of recognizing what can be done to bring together the doctors and the hospitals and to share among different towns the kinds of services that are available but cannot be available in every small town. So we are making progress.

We have the opportunity to make a good deal more progress right here in this place in the next week. We should have made it 3 weeks ago, but we have not, because there has been an obstacle to progress. It is sort of discouraging that my friends on the other side of the

aisle put out a statement saying, health security, we want the portability of health care, elimination of preexisting conditions, guaranteed renewability. This is what the Democrat leadership committee put out a month ago.

We have that bill before us, Mr. President. We have that bill. We have had that bill since April, ready to be moved forward. But, unfortunately, we have had the objection of Members on the other side of the aisle that have not allowed it to move. I hope that we can do that.

We support reform of health insurance. We support reform of availability of health care and have done a great deal about it over the last couple of years, starting, I suppose, with Medicare, the idea of strengthening Medicare so that over a period of time that is available to the elderly. There is no question that if we do not make some changes in Medicare, it will not be there. We have proposed those changes. We have been for those changes, those changes to strengthen Medicare, to make it available to the elderly, to make it continue to be available after 2001, at which time the trustees say it will fail if we do not change it.

Medicaid, health care to the low-income families of this country, we suggested much of that be transferred to the States so that decisions can be made that fit the needs of the various States. Mr. President, our health care needs, our distribution system in Wyoming must be different than the presiding officer's State of Ohio. So we need to have the opportunity for our States to work in Medicaid. That has been a proposal that we have been forwarding.

We have favored, and continue to favor and urge, the acceptance of reform in the private sector. We have been eager to pass insurance reform, which is out there, which is available now. In March, the House passed historic legislation to make insurance more portable for families. In April, the Senate did the same thing. Sixty-five days have passed, and still no bill.

I think we have to say to ourselves, ''Let's just do it. Let's do it.'' But there continues to be opposition. The Democrats have blocked appointment of the conferees, so there is no movement in this area in which they say they are for: portability of health care, elimination of preexisting conditions, guaranteed renewability. I say, come on, let us do it. You say you want to do it. Now is the time.

President Clinton has hinted at vetoing the bill. I hope that does not happen. On the other hand, Mr. President, frankly I am getting a little weary of the idea, ''We don't do that because the President may veto it.'' That is the President's prerogative, but it is our opportunity and responsibility in the Congress to do those things we think are right, to pass bills we think are right. If the President vetoes them, that is his decision, but we ought not to fail in moving, in doing our part simply because of that.

There are philosophical differences, and I understand that. There are philosophical differences in most everything we approach here. That is healthy. There are going to be philosophical differences in the election. That is what elections are about. That is what we will be deciding, the direction, whether or not we are going to have more Federal Government, more expenditures at the Federal level, or whether, in fact, we move some of these decisions closer to people and move them closer to the States and to the cities from which families will receive the services.

So, of course, there will be differences in philosophy. Republicans believe Americans should be in charge of their own decisions with respect to health care. One of the great controversies in this bill, one of the things that has kept it from moving, is the idea of medical savings accounts. Medical savings accounts provide an opportunity for people to make their own decisions with respect to expenditure of money. They provide the opportunity for people to save, to cut down on the utilization of health care, and at the same time be able to choose the health care program they think is best for their family.

Employers can accumulate over the years dollars that can be spent for employees. It has been proven and several recent reports confirm that out-of-pocket expenses would decline and benefit all Americans. That is part of this package. Unfortunately, our friends across the aisle would prefer the status quo and refuse to give medical savings accounts a try. They think it deviates too far from the idea of the Federal Government controlling. We think that is the right thing to do.

The Kassebaum-Kennedy bill has a good many things that we need to do. Certainly it is not a panacea for all health care, but it moves us in the direction of fixing some of the things that need to be fixed. I happen to be very interested and involved in rural health care. There are unique things about rural health care that need to be changed. Unfortunately, this does not address them, but it does make some of the changes that we need to make to cause health care to be more available, more useful for Americans and American families.

Job lock—we all know of people who would like to move forward with the opportunities of jobs and to change jobs and to move up in the economic stratosphere, but they are concerned about doing that because they lose health care, particularly folks that are a little older. This changes that and provides portability for health care, something most everyone agrees with. It has to do with allowing people to have insurance, despite the fact that there are preexisting conditions. If we are going to be in the private sector with health care, then people have to be insured. It may cost more for everyone. I guess that is what insurance is about, spreading the risk. We think we can do something about it in our State. We have risk pools. They work. But preexisting conditions should not keep someone from having private health insurance.

It allows small businesses to join and form purchasing cooperatives so that you get some kind of volume advantage in small businesses. Pretty simple stuff, but it is useful and can help with the problems that exist there.

All these measures go, I think, to the core of what American families want. They want availability of health care, they want it in the private sector, they want choice. That is what this bill is about.

I certainly urge our friends on the other side of the aisle to not resist movement on this bill. We have an opportunity now. That is why we are here, to accomplish things. We are moving down to where I think there are 25 or 26 work days left in this session. We have a lot of things to do. We have spent a lot of time on this. It is not as if it has not been discussed. We need to move forward.

The question, I suppose, we ask ourselves in health care, as in other areas, but particularly in health care because all of us are involved, it affects everyone, all of our kids, and all of our families, the question is, can we do better? Of course we can. Of course we can. It is not the job of the Federal Government or the Senate to provide health care for everyone. It is the job of the Senate, in my view, the job of the Federal Government, to provide an environment in which the private sector can do what we want to have it do, and that is provide an opportunity for all Americans to have access. We ought to just do it. The time has come to just do it.

Mr. President, I yield to my friend from Minnesota who has joined in the freshman focus this morning.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I join my colleagues today in issuing our call and asking our Democratic friends on the other side of the aisle to end that filibuster of the Kassebaum-Kennedy Health Insurance Reform Act.

Most Americans probably are unaware that the Democrats are blocking a final vote for portable health insurance for millions of Americans, as our friend from Wyoming has pointed out this morning.

Mr. President, our Founding Fathers established the filibuster as the parliamentary tool for use by the minority in the Senate to ensure that, unlike in the House of Representatives, any issue would have a full and open debate—without limitation by the majority. In the past, it was common to have only about one, maybe two filibusters throughout a session of Congress. Yet, despite President Clinton's remarks lately that the Senate Democrats ''have not abused the filibuster in their minority position the way Republicans did * * *'' their record shows differently.

Unfortunately, the President and I disagree in our interpretation of the word ''abused.'' In the 102d Congress, when the Republicans were in the minority, we filibustered 40 times. Yet the Democrats, this Congress, have already filibustered more than 66 times and we still have another 6 months to go before the end of this legislative session.

Mr. President, I will highlight just a few of bills that our Democratic colleagues have filibustered in the last 15 months. Those bills include term limits, the line-item veto, welfare reform, product liability reform, and others. Despite Republican willingness to compromise and to work with the minority to achieve legislation amenable to all, they have continued to filibuster legislation which national polls have shown most Americans want passed by overwhelming margins.

Mr. President, I want to again emphasize that these are Democrat-led filibusters—nothing more and nothing less than Democrat gridlock. There is no question that the most egregious Democratic filibuster this session has been by the Senator from Massachusetts in his effort to delay final passage of the Health Insurance Reform Act. The Senate considered this legislation almost 2 months ago, yet the Senator from Massachusetts, the original coauthor with Senator KASSEBAUM, is filibustering this important bill because he wants to deny hard-working Americans the ability to put a portion of their pretax earnings into a savings account that would be designated for medical expenses.

Mr. President, if you will recall earlier this year, the Senator from Massachusetts and the distinguished minority leader, a number of times, alleged that Republicans were holding up the bill, even refusing to allow a vote on it. Unfortunately, our desires to review the final legislation in consultation with our Governors, State health officials, industry officials, health and care providers, and, most importantly, our constituents, were perceived as objections or opposition to the Kassebaum-Kennedy bill.

This, however, was not the story told by our Democratic colleagues. A final agreement for consideration was entered into on February 6 to debate the Kassebaum-Kennedy Health Insurance Reform Act on April 18 and 19, giving all 100 Senators ample time to consult, review, and improve, prior to floor debate. When all the statements were made and amendments considered, this body approved the Kassebaum-Kennedy legislation by a margin of 100 to 0. Despite our diverse membership, the unanimous vote shows our strong support for expanding health insurance to more Americans. Even President Clinton urged passage of this legislation in his State of the Union Address early this year.

Mr. President, in light of President Clinton's support, the unanimous Senate support, and the millions of cries from American people who desperately need this legislation, I believe it is reprehensible that the Senator from Massachusetts has decided to filibuster the joint priority of health insurance reform for political power rather than good policy.

Since it has been 2 months since we debated the Kassebaum-Kennedy legislation, I want to highlight again what the Senator from Massachusetts is denying to 15 million Americans who will benefit from this legislation. First, portability, ensuring that when an individual wants to change a job they can take their health care with them. They will not lose it. Next, limiting preexisting condition exclusions. That is, ensuring that individuals who have played by the rules when they are healthy get to maintain their health insurance when they are diagnosed with a potentially costly medical condition. We should not allow insurance companies to only insure the healthy. If this were to occur, taxpayers would be required to pay for their care under the Medicaid Program, which we all know is having difficulty sustaining its current number of beneficiaries today.

Most importantly, Mr. President, this Democrat filibuster is denying working Americans the opportunities to save money to pay for unexpected health care costs.

A recent study reported by the Bureau of National Affairs stated in its June 6 edition that a Workplace Pulse Survey of 1,000 workers, conducted back on May 20 to May 24 by the Marketing Research Institute, for Colonial Life & Accident Insurance and the Employers Council on Flexible Compensation, found the following: 87 percent of respondents believe that Congress should allow medical savings accounts to be tax free; 4 of 10 full-time working Americans, with health insurance, would be more likely to change jobs if Congress enacted legislation mandating the portability of their insurance.

Now, the Senator from Massachusetts alleges that medical savings accounts are only for the wealthy; yet, one of the wealthy groups who would benefit from MSA's is a group the Senator usually rallies behind, and that is the United Mine Workers. Currently, the United Mine Workers have medical savings accounts; however, they do not get fair tax treatment because they are taxed on the amount that they have in those savings accounts for health care.

Mr. President, continued efforts by a few Senators on the other side of the aisle are undermining the ability of this body to prove to the American people that we do listen, we do care, and that we can come together on important issues to find a compromise and ultimately enact serious and sensible health insurance reform legislation.

Now, the definition of compromise, according to Webster's, is ''meeting halfway, coming to terms by giving up part of a claim.'' Mr. President, Republicans have compromised.

Over the last few weeks, the majority leader has sent numerous compromise proposals to opponents of MSA's, and they still complain that our proposal is too broad. I disagree.

Mr. President, when President Clinton has indicated his support for the Kassebaum-Kennedy bill, the Senate passed the same bill unanimously and we have continued to compromise on the main issue of concern for the Senator from Massachusetts who claimed earlier this year that Republicans were denying a vote on the bill, I find it all very suspicious in this year of Presidential elections.

We should pass the Kassebaum-Kennedy conference report, and we should urge the President to sign the bill at the earliest date possible, again, so that 15 million Americans awaiting its enactment can go to bed knowing that they have portable health insurance.

Mr. President, I yield the floor to my good friend from Wyoming.

Mr. THOMAS. I thank the Senator. I am now glad to be joined by our colleague from Pennsylvania. First of all, on April 23, this was published, the Senate Democratic Action Agenda. It says, ''health security, payroll security.'' Then it turns to health security and says ''portability of health care.'' This is on the 23d of April, this action agenda. We have that available. We have it here. We have had it for 65 days.

So I guess the real issue is that it is one thing to talk the talk and another thing to walk the walk. We have an opportunity here to do that, to make it available to families, to have health care for children. What we really ought to do is just do it.

I yield to my friend from Pennsylvania.

Mr. SANTORUM. I thank my colleague.

Mr. President, I think it is interesting to, first, understand why this bill is being held up. It is being held up—at least the reason given that it is being held up—because there is an objection to the concept about the proposal known as medical savings accounts. Now, I have had town meetings about medical savings accounts ever since I first introduced a medical savings account bill. I was the first Member of the House to do so in January 1992. I had been holding town meetings in the Pittsburgh area when I was a Congressman, as well as across Pennsylvania.

I consistently find one thing—most people do not know what medical savings accounts are. The few that do, when I ask them to explain them, usually do not do a very good job explaining what they are.

Let us explain what is the big holdup here. Why are medical savings accounts so bad? What do they threaten? What damage can they do? How will they disrupt the health care system? Why is this such a horrible thing that we can hold up what most Members—in fact, I think all Members—would like to see done and believe needs to be

done to help the current system be better. That is what the Kassebaum-Kennedy bill does. It improves the current system of health care delivery in the private market health insurance system.

So let us ask what medical savings accounts do. Well, I like to call medical savings accounts patient choice accounts, because I think those who are tuned into what is going on in health care will tell you—and I am not talking just health care providers or insurers, I am talking about everybody who sees what is going on in health care—realizes that managed care is coming to dominate the marketplace and, in fact, will be, eventually, I believe, if nothing is done, take over the marketplace in most areas of the country. So the choices will be limited to just managed care options. The old fee-for-service, doctor-patient relationship in medicine will go by the wayside.

What I believe medical savings accounts do is give us a chance to keep that relationship available to patients who want that, to people who want the doctor-patient relationship. And what managed care is, you have a doctor, a patient, and you have a third party, an insurance company, who sort of regulates the transaction between doctor and patient. They are the ones who sort of dictate what services you can and cannot have. Well, before managed care, the doctor and patient determined what services you had. Well, the problem with that was that neither had incentive to control costs. On the patient's side, you had fee-for-service medicine with very low deductibles, so you did not pay anything for the services you got. You had no concern about how much they cost. Nobody asked how much it costs for health care. On the physician's side, the more you did, the more services you provided, the less chance you were going to be sued, and the more money you made. So there were no incentives here to control costs. Then managed care came in.

Well, what we are trying to do with medical savings accounts is very simple—that is, to put some incentives with the patient to be cost conscious, to encourage them to be careful about what kind of health care services they consume and how much they consume and where they consume them, to create some sort of a marketplace for health care. That is what medical savings accounts do.

I can explain the specifics of how it works, but the bottom line is that it empowers, it gives the individual the ability to control their own health care decisions again. It gives power to individual patients when it comes to their health care needs.

Now, why—why—would anyone be against giving an option to individuals? It does not require everyone to take a medical savings account, by any stretch of the imagination. It does not require anything. It just gives you an option to have a medical savings account. Why would anyone be opposed to giving individuals powers to make medical decisions on their own, giving individual power in America?

I think you sort of have to step back and say, well, let us recall who were moving forward with the Clinton care health plan and what that plan did. What Clinton care did—sponsored by the Senator from Massachusetts—was take power from individuals, give it to Government-run organizations, and private sector insurance organizations, to manage care for everyone—big organizations controlling decisions of people. That is the model that many who were opposing this bill see as what we should be doing with health care. They do not believe—as Mrs. Clinton said, when asked about medical savings accounts—that individuals have the ability to make decisions on their own, that you are not informed enough, educated enough to make your own health care decisions.

There are people—and I hope and believe it is not a majority in this body—who believe that we need large organizations, whether it is Government or large insurance companies, to dictate to you what services are available to you. That is the fundamental debate here. That is the rub; that is the reason we are not moving forward with this. It is, who has the power to make decisions?

The Senator from Massachusetts believes it is large insurance companies or big Government. Those of us on this side of the aisle—and I think many on the other side of the aisle—believe individuals should at least have the choice to make those decisions themselves.

Mr. President, I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The PRESIDING OFFICER. Under the previous order, the hour of 9:30 a.m. having arrived, the Senate will now resume consideration of S. 1745, which the clerk will report.

The assistant legislative 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 Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Nunn-Lugar amendment No. 4349, to authorize funds to establish measures to protect the security of the United States from proliferation and use of weapons of mass destruction.

Warner (for Pressler-Dashcle) amendment No. 4350, to express the sense of the Congress on naming one of the new attack submarines the ''South Dakota''.

AMENDMENT NO. 4349

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on amendment No. 4349.

Mr. NUNN. Mr. President, what is the pending amendment?

The PRESIDING OFFICER. The pending amendment is No. 4349.

Mr. NUNN. Mr. President, I ask unanimous consent that Senator HATCH be added as a cosponsor to the pending amendment.

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

Mr. NUNN. Mr. President, we had a good debate last night after most Members had gone home and after all the votes had been cast for the day. But, nevertheless, I hope some of our colleagues and their staff—and, indeed, the American people—heard some of that debate because, to me, this is an enormously important subject and a very important amendment.

This amendment is sponsored by Senator LUGAR, myself, Senator DOMENICI, Senator BIDEN, Senator GRAMM, Senator HATCH, and others.

It has three major thrusts.

First, it recognizes that one of our most serious national security threats is the proliferation of weapons of mass destruction—not just nuclear weapons but also chemical and biological weapons.

Just this week ''The Nuclear Black Market'' report came out by the Global Organized Crime Project, which is chaired by William Webster, former head of the FBI and CIA, with the project Director Arnaud de Borchgrave.

That publication made it very clear in the findings of this very distinguished group of Americans with considerable national security experience.

Quoting from that report:

The most serious national security threat facing the United States, its allies, and its interests is the theft of nuclear weapons or weapons-usable materials from the former Soviet Union. The consequences of such a theft—measured in terms of politics, economics, diplomacy, military response, and public health and safety—would be catastrophic.

Arnaud de Borchgrave said at the press conference:

We have concluded that we're faced now with as big a threat as any we faced during the cold war, when the balance of terror kept the peace for almost half a century.

We also have a quote that makes it clear that the foundation for this amendment is based on some of the findings in this report, as well as extensive hearings.

We had reports from the Harvard group headed by Graham Allison; reports from the Monterey Institute, and others.

So this is not the only report. This is the most recent and, I think, one of the more thorough reports that has been done on this subject.

But this report says:

A layered defense against nuclear trafficking is essential. Countermeasures must continue to emphasize securing warheads and

materials at the source because there are few opportunities for detecting, interdicting, and neutralizing these materials once they are beyond the source site. . . . [A]ttention and resources must be directed toward post-theft measures as well.

The magnitude of the problem, especially in Russia, remains enormous. The greatest need is for a sustained effort with sufficient resources and a clear, long-term vision of what needs to be accomplished.

So, Mr. President, we are trying to have three thrusts forward with this amendment. One is to beef up the Nunn-Lugar legislation which already is helping contain these weapons of mass destruction at their source;

Second, we want to beef up the Customs Department so that they can protect our borders better and also help the former Soviet states—not just Russia but all those states—protect their borders from this dangerous material and know-how leaking out;

And, third, to make sure that we are prepared here at home.

We are not prepared at home now. We need a major thrust forward to help our cities, to help our States to use certain National Guard units, to use the Department of Energy and the Department of Defense to train and equip over a period of time our State and local law enforcement officials so that we will be able to deal with this kind of crisis, if it occurs, and that we will be able to prevent it from occurring in the first place.

So that is the essence of the amendment. I know that Senator DOMENICI and Senator LUGAR will also want to speak on this. We have a very short period of time.

I urge approval of the amendment. I reserve any time I have remaining.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I commend to the Senate this morning an amendment that I believe will make a historic difference in American security, and it is our security we are talking about, the security of Americans, who would like relief from the possibilities of an ICBM attack in nuclear, chemical, or biological terms coming out of the former Soviet Union—or out of any country, for that matter—which might jeopardize it and who want some assurance that we here in the United States are prepared to coordinate the remarkable work of our Department of Defense in historic research efforts to combat potential difficulties for American personnel from biological, chemical, or nuclear attack that might be transferred to local officials who will work with these people.

All of these objectives are approached. They will never be fully achieved, but clearly the passage of this amendment will bring a greater sense of security to all Americans that our Government works, that we have talented people in our military and in our civilian components of government at all levels that will make a difference in the safety of Americans.

For these reasons, I commend this amendment. I am hopeful it will have very strong support in the Senate this morning.

I thank the Chair.

Mr. SPECTER. Mr. President, this amendment is of critical importance to the security of the United States and its allies: The proliferation of weapons of mass destruction. In my remarks on the Senate floor on April 17, 1996, I addressed this issue stating that we can no longer afford to treat this proliferation as some merely hypothetical threat.

The United States could soon be at risk from long-range Taepo Dong II missiles now being developed by North Korea. We have also seen evidence of Saddam Hussein's biological weapons program confirmed by Saddam's son-in-law who defected from Iraq last year. We have seen China sell missiles and other nuclear technology to Pakistan, and a tremendous missile race between India and Pakistan on the subcontinent. Finally, we have seen the murderous activities of the Supreme Truth cult in Japan, which was responsible for a poison gas attack that injured more than 5,500 Tokyo subway passengers.

As chairman of the Senate Intelligence Committee, and as chairman of the Judiciary Committee Subcommittee on Terrorism, I have long been concerned about the proliferation of weapons of mass destruction. I believe the administration was correct when it stated in the most recent edition of ''A National Security Strategy of Engagement and Enlargement'' that ''weapons of mass destrucion—nuclear, biological, and chemical—along with their associated delivery systems, pose a major threat to our security.''

I also believe that the administration has not done nearly enough to prevent the spread of these weapons. In my view, Mr. President, we have a tremendously unwieldy U.S. Government bureaucracy for combatting proliferation. By my estimate, some 96 departments, agencies and other organizations have some responsibility in this area. Mechanisms for effectively integrating the activities of the Department of State, Defense, Justice, Treasury, and Commerce, to name just a few, are lacking. Given the complexity of the tasks involved, the need for marshaling resources from many agencies, and the necessarily protracted nature of these efforts, the failure to assign clear and empowered leadership has impeded the U.S. effort.

It was for that reason that I introduced legislation on April 17, 1996, that would create a high-level commission, appointed by the White House and the Congress, to conduct a governmentwide study of the complex organizational structure charged with combatting proliferation. Members of this commission would also be responsible for providing Congress and the President with a set of recommendations designed to improve U.S. Government performance, and reduce the amount of unnecessary duplication by the various agencies involved.

As I indicated in my remarks last April, I examined closely a number of possible organizational changes. One option, I noted, was the creation of a high-level czar, such as the drug czar empowered to coordinate activities against drug trafficking. I also mentioned that I have considered the creation of a high-level position on the National Security Council [NSC] staff. I was very pleased, therefore, to find while reviewing the Nunn-Lugar amendment now under consideration by the Senate that my distinguished colleagues advocated the creation of both a ''national coordinator on nonproliferation,'' and a new standing NSC committee on nonproliferation, composed of the Secretary of Defense, State, Treasury, the Attorney General, the Director of Central Intelligence, and other cabinet-level officials. This committee, chaired by the national coordinator, would be responsible for reviewing and coordinating all Federal programs, policies, and directives relating to proliferation.

Mr. President, I believe that this legislation is a critically important step in our efforts to improve the ability of the United States to combat proliferation. Creating a single body with overall responsibility for this critical national security responsibility is a step in the right direction.

U.S. efforts to combat proliferation are not well organized. Significant institutional and organization changes in the U.S. Government are required if the United States is to improve its ability to combat proliferation of weapons of mass destruction.

Mrs. KASSEBAUM. Mr. President, I want to strongly support this initiative and to commend Senators NUNN and LUGAR, as well as Senator DOMENICI, for their continued strong leadership in this area vital to our national security.

The single greatest threat to American soil today is that nuclear, chemical or biological weapons will be used against us by terrorist organizations or other rogue entities. Perhaps the supreme irony of the cold war's end is that while the risk that America will be devastated from coast to coast has abated, the prospects that a weapon of mass destruction will in fact detonate on our soil have grown substantially.

The threats today are much more complex, and our response must be more complex as well. In plain terms, it is no longer enough that America's defenses be strong—they must also be smart, agile, flexible, and intuitive.

The Senate, for example, has yet to consent to ratify the Chemical Weapons Convention that President Bush negotiated. I think we should do so without delay. It is another of the many tools we need to meet the diverse new threats to our security.

For several years, we have been engaged in the Nunn-Lugar program to help secure and destroy weapons of

mass destruction at their source in parts of the former Soviet Union. This program has been successful, and I believe it should be expanded while that is still possible.

Today we are considering the so-called Nunn-Lugar II program. While the existing program seeks to contain dangerous weapons material at its source, this new proposal would put in place mechanisms to deal with material that leaks.

This amendment would let us help strengthen the export control regimes of countries that are the source of much of the weapons material. It is in our interest to help countries like Russia to keep weapons material inside their borders and out of international commerce.

The amendment also would strengthen our own border controls to help keep illicit weapons material out of the United States.

Finally, it would put in place a coordinated effort to ensure that the public safety personnel in communities across America know how to respond in the terrible event of a nuclear, chemical or biological incident.

I hope this contingency planning is never needed, but I support this amendment in case it is.

Mr. GLENN. Mr. President, I rise to express my intention to vote in favor of the amendment offered by my colleagues, Senators NUNN, LUGAR, and DOMENICI, concerning America's actions to alleviate threats to our country's security coming from Russia and from terrorists. This is important legislation, perhaps one of the most significant provisions in this entire bill, and I think it deserves some high praise and a few cautionary notes.

First, the praise. I cannot think of a better investment in America's security than working to reduce the number of weapons of mass destruction that could be targeted or used against our country. The assistance provided in this bill aims at enhancing the security of controls over materials in the former Soviet Union that are associated with such weapons, and reducing the amounts of these materials. It is to me without doubt a sound public investment.

The bill provides funds for improving the material protection, control, and accounting of materials that could be used in nuclear weapons—material that someday could otherwise either be illicitly exported to dozens of countries around the world or even targeted against the United States. It just makes sense to enhance controls over these materials.

The bill also provides funds for improving the means to verify the dismantlement of nuclear warheads, a functions that is vital if we are to have the confidence to proceed with deep cuts of United States and Russian strategic arsenals under the START process.

The bill contains a program aiming at the total elimination of the production of plutonium in Russian for use in weapons. I regret, however, that the amendment contains a provision (sec. 1332(a)(2)(C)) that also encourages Russia to convert this plutonium into nonweapons uses, which to me looks like a green light to a larger U.S. role in encouraging large scale stockpiling and transportation in plutonium for dubious commercial purposes. This is, in other words, a friendly pat on the back for the plutonium economy in Russia.

I am not at all confident that the United States, any of our friends in Europe and Japan, and indeed any country on earth—not just the countries in the former Soviet Union—has truly adequate capabilities not just to protect but even to track or account for the disturbingly large amounts of weapon-useable nuclear materials that are floating around the world in the civilian sector. This is not the type of trade we should be promoting, either directly or indirectly.

It is quite easy to stereotype this problem—as many of the findings of this particular amendment regrettably do—as one that is limited to Russia, rogue nations, rogue regimes, fanatic third world dictators, maniacal terrorists, and underworld gangsters. But the problem is of course much more complex than this caricature indicates. As I have stated many times before, the problem of controlling these materials and getting them out of world commerce is truly global in scope. Plutonium and highly enriched uranium can be made into devastating city-busting nuclear weapons even if they do not come from facilities in the former Soviet Union—the national origin of such materials is less significant than their potential availability for illicit uses and, surely, the ability of our country and international organizations to keep close track of the precise location and disposition of such materials.

If anybody of my colleagues doubts that the problem of tracking such materials is exclusively a Russian problem, I would encourage each and every Member to read closely the recent work of the General Accounting Office on this subject.

On December 27, 1994, GAO issued a report entitled, ''U.S. International Nuclear Materials Tracking Capabilities Are Limited,'' which reached the following conclusions concerning the system—called NMMSS or the Nuclear Materials Management and Safeguards System—used by our government to track U.S. nuclear materials that are exported to other countries. Listen to what GAO had to say about America's own system for nuclear material tracking—

> The United States relies primarily on the NMMSS to track the nuclear materials exported to foreign countries. However, this system does not have all the information needed to track the specific current location (facility) and status of all nuclear materials of U.S. origin that are supplied to foreign countries. For example, the system does not track exported U.S. nuclear materials that are moved from facility to facility within countries, nor does it show the current status of the nuclear materials (e.g., irradiated, unirradiated, fabricated, burned up, or reprocessed). Thus, the NMMSS may not contain correct data on where (at which facility) these materials are located within foreign countries or on their current status.

OK, so that was the situation in 1994. In August 1995, GAO released another report bearing a now-familiar title: ''Poor Management of Nuclear Materials Tracking System Makes Success Unlikely.'' This report found that the Department of Energy, ''has not implemented any of the recommendations contained in our prior report and has no plans to do so.'' According to GAO, ''Due to its lack of sound planning, DoE does not know if the [NMMSS] system will fulfill the needs of its major users or be cost-effective.''

Well how about 1996? On May 29, 1996, I received a letter from GAO commenting once again on the U.S. system for tracking nuclear materials abroad. Here is what GAO had to say: ''We continue to believe that the nuclear materials tracking system is significantly limited in its ability to track nuclear materials internationally and that the replacement system faces a high probability of failure because it has not been completely developed and tested.'' This letter is available from GAO as document B–271592, 5/29/96.

Let us keep in mind what we are talking about here. The Department of Energy described the NMMSS system in a news release dated June 27, 1994, as follows: ''* * * it is the official record used to maintain compliance with the Nonproliferation Treaty.''

So are these limitations in America's ability to track nuclear materials of recent origin? Hardly. GAO issued a report on August 2, 1982—that is almost 14 years ago—bearing the title, ''Obstacles to U.S. Ability to Control and Track Weapons-Grade Uranium Supplied Abroad.'' Then on January 14, 1985, GAO issued another report entitled, ''The U.S. Nuclear Materials Information System Can Improve Service to Its User Agencies,'' once again documenting numerous shortcomings in America's own system of nuclear materials accounting.

My point here is to emphasize that we should not be deluding ourselves that the amendment before us today will address the kinds of problem that GAO has been documenting or almost two decades in America's ability to monitor global—I repeat, global—tracking of nuclear materials. Scenarios involving so-called loose nukes just flowing out of Russia make for great speeches and play well in the media, but they offer just too simplistic an approach for understanding a vastly more complex and, once again, more global threat.

I would like to turn now to the second highly positive feature of this bill, its emphasis on the need for greater attention to the problem of domestic preparedness to cope with incidents involving the use or threatened use of weapons of mass destruction by terrorists inside the United States. This

year's hearings of the Permanent Subcommittee on Investigations has adequately and competently documented the scope of this threat as well as America's lack of preparedness to deal with it. It may be that history will record that the sums provided in this bill to correct this problem were, if anything, inadequate to the job, given the magnitude of the challenges that lie ahead. Nevertheless, the authors of this legislation deserve credit for having spotted a key deficiency in America's responses to the global weapons proliferation threat and for taking some concrete steps to correct the problem.

I regret that the bill merely contains hortatory language about increasing the penalties for offenses relating to the importation, attempted importation, exportation, and attempted exportation of nuclear, biological, and chemical weapons materials or technologies. Even this hortatory language, moreover, does not include the Atomic Energy Act in its list of relevant laws that need to be reexamined. The Atomic Energy Act is the law that governs America's foreign trade in nuclear equipment and materials.

There is also nothing in this bill encouraging the Government to make use of the reward authorities that were created in the Nuclear Proliferation Prevention Act of 1994, which as I understand it, the State Department is reluctant to implement. In this respect, I would like to comment briefly on a letter dated March 18, 1996, that I have received from Mr. Andrew Fois, and Assistant Attorney General in the Justice Department, addressing the subject of the payment of Government rewards for information about illicit transfers of nuclear materials or nuclear weapons. My specific inquiry focused on the record of the U.S. Government in implementing the Atomic Weapons and Special Nuclear Materials Rewards Act of 1955. The Justice Department's response states that: ''The FBI has not promulgated special guidelines addressing the payment of rewards for information pursuant to the Atomic Weapons and Special Nuclear Materials Rewards Act.'' The letter goes on to say: ''The FBI is not aware of any previous payment of a reward for information relating to the illicit transfer of nuclear materials or weapons.'' Furthermore, the letter adds, ''The FBI has not utilized the nuclear trafficking information rewards authority because the opportunity to do so has not arisen.'' The letter also indicates some concern that the act of offering rewards ''might generate a 'market' which does not now exist, and would not resolve any existing problem.''

It might come as somewhat of a surprise to most observers that the United States has not used a rewards authority which has been on the statute books for 41 years, almost as long as the entire existence of the Nuclear Age. I only hope that it does not take a catastrophic nuclear explosion or act of terrorism involving radiological weapons to inspire a reexamination of this longstanding Government practice of neglecting a potentially useful tool against both nuclear weapons proliferation and terrorism. I believe that rewards will have to play a role dealing with these threats.

It seems to me pretty ironic to watch all these heroic efforts now underway to enhance our preparedness to deal with future weapons of mass destruction threats here at home, without recognizing the need for the U.S. Government to obtain information about the nature of these threats. It is a regrettable fact of life, one that may well reflect a less admirable feature of human nature, that obtaining such information sometimes does require the payment of rewards.

The final subject I would like to address today concerns subtitle D of the bill, which will create a ''National Coordinator for Nonproliferation Matters''—in other words, a de facto nonproliferation czar. I am not at all enthusiastic about this proposal and believe that its best feature might well turn out to be its sunset clause, which relieves the President of having such a post after September 30, 1999.

I do not dispute the need for greater coordination between the various agencies in many areas relating to nonproliferation policy. The recent hearings of the Permanent Subcommittee on Investigations, for example, revealed serious lack of coordination at both the Federal-State-local levels and at the interagency level. I suspect that one could add to this list, coordination between the Executive and Congress, or even the organization of Congress for dealing with these threats, but such topics were omitted from the scope of this bill.

I find it rather extraordinary that the so-called Committee on Non-Proliferation would be composed of such agencies as Commerce, Treasury, and the Federal Emergency Management Agency—but not the Arms Control and Disarmament Agency, the entity within our Government that has an explicit statutory nonproliferation mission. This amendment might have offered an excellent opportunity to enhance the role of ACDA in our Government, but instead the agency was not even cited in this portion of the amendment. I am very disappointed by the structure of this committee.

The function of the coordinator also gives me some serious concerns. Though the word ''czar'' is not used in descriptions of this office, it is an apt term. Nonproliferation, after all, is a unbelievably complex activity. It involves intelligence matters. It involves diplomacy. It involves export controls which touch upon—or occasionally are even driven by—commercial considerations. It involves extremely technical issues. It involves the weighing of competing values and policy priorities. It involves coordinating the activities of many diverse organizations throughout our Government and our military. It involves research and analysis. It involves a huge number of Government contractors, subcontractors, laboratories, think tanks, academic establishments, consultants, and the media. And it involves Congress.

So when we create a coordinator in charge of what we call nonproliferation we are talking about quite a lot—hence the notion of a czar.

With such an expansive authority, one would have perhaps expected that any such individual occupying such a post would be expected to be accountable to the public for that person's actions. But there is no provision in his bill for Senate confirmation of this official. Moreover, as a member of the National Security Council, it is doubtful that Congress could even succeed in inveigling such individual to come to Capitol Hill to testify on the activities of that office. Honestly, as a former chairman of the Committee on Governmental Affairs and present ranking member of that committee, I think it is absolutely essential for individuals inside our Government with such sweeping authorities to be held strictly accountable to Congress and the public.

Will the so-called coordinator prove to be a zealous advocate of commercial uses of plutonium? Will the coordinator come to this office with a disposition that proliferation only has military solutions? Will this coordinator place commercial considerations ahead of America's global nonproliferation treaty obligations? Will this coordinator take the view that proliferation is merely a problem dealing with so-called rogue regimes instead of a genuinely global threat? Will this coordinator simply be ignored by the current or future President by means of an internal organizational mechanism worked outside the NSC? Will this coordinator have adequate staff, budget, and control over budgets to give the individual the ability to perform the ostensible coordinating functions that the office is supposed to have under this legislation?

These are just some of the too-many unanswered questions concerning the nonproliferation czar.

Overall, however, I must support this legislation because of the good it does. I will work to address the shortcomings in this amendment the best I can and am optimistic that, without doubt, this legislation is in the overall interest of our country.

Mr. HARKIN. Mr. President, I commend my colleagues, Senators NUNN, LUGAR, and DOMENICI, for developing this amendment which is a good first step in addressing the principal security threat facing the citizens of the United States today. I am pleased to join them in sponsoring this important antiterrorism proposal. I have always been in favor of the wise use of taxpayers' funds and this amendment meets that test. We have to be prepared to combat terrorism.

Currently we have precious few means to deal with the threat of a terrorist attack of any kind, let alone nuclear, chemical, or biological terrorism. This amendment focuses on that vacuum.

Events from Oklahoma City to Tokyo show that there is a major security risk in the ordinary—a rental truck or a subway. Training local emergency officials to recognize the signs of weapons of mass destruction in these mundane circumstances will help prevent these insidious attacks in the first place. Further training will allow local officials to ameliorate the impact should such a tragedy occur.

Mr. President, this is the right amendment at the right time for the people of Iowa and the United States. If my colleagues care about protecting Americans on American soil, I urge them to support this amendment.

Mr. THURMOND. Mr. President, once again, I congratulate the Senators from Georgia, New Mexico, and Indiana, on their efforts to craft an amendment to authorize the establishment of an emergency assistance program to train and equip State and local authorities to respond to domestic terrorist use of weapons of mass destruction.

I want to reiterate my concerns with parts of the amendment that would increase funding and expand authorities for the Cooperative Threat Reduction Program, both in DOD and in DOE.

I trust that the sponsors will provide us with information on the justification for these new activities and the impact on the DOD future years defense plan and DOE as soon as possible. The sponsors submitted letters from the Secretary of Defense and the Secretary of Energy in support of this new initiative last night. I assume that the sponsors will provide us with copies of these two letters as well.

Mr. President, I have urged the sponsors of this amendment to consider a few recommendations that would enlist the assistance of the National Academy of Sciences in developing the emergency assistance program; that would specifically authorize a chemical-biologial emergency response team; and, that would specifically authorize funding for a regional NBC emergency stockpile from which the State and local authorities could draw in an emergency.

Lastly, I want to mention just a few other concerns I have with this amendment. There are no appropriations for these new initiatives. The amendment contains a broad transfer authority that would allow funds to be transferred from accounts within the defense budget, as well as from within the defense activities portion of the energy budget, for the two CTR programs.

I am also concerned with language in the amendment that would promote the import of foreign weapons-grade material to the United States for storage. Currently, the Department of Energy is not prepared, nor does it have the ability to accept more weapons-grade material.

Mr. President, once again, the efforts of the sponsors of this amendment are laudable. However, we are not merely talking about increasing funding for the two cooperative threat reduction programs. We are expanding the scope of activities within those two programs. I would ask the sponsors of the amendment to provide the committee with information on how much money Russia is contributing for these efforts?

The amendment broadens the authority of the program to include all the independent states of the former Soviet Union. However, the bulk of the funding in this amendment is specifically going toward activities with Russia.

I support the efforts of the sponsors of this amendment to combat terrorism. We need to provide assistance to our State and local authorities so that they are prepared to respond to terrorist incidents where weapons of mass destruction are used.

We will work together in the conference to enlist the support of the National Academy of Sciences, increase the funding for the emergency assistance program, and provide the regional NBC emergency stockpile.

Mr. FEINGOLD. Mr. President, I voted for the Nunn-Lugar amendment, but there are provisions included in that amendment that are quite troubling for me.

Obviously, like every Member of this body, I am deeply concerned about the need for the United States to be fully prepared to protect our people from the threat of terrorist attacks, particularly those involving weapons of mass destruction.

The amendment contains provisions to provide military assistance to State and local officials responsible for crisis management to deal with nuclear, chemical, or biological emergencies. This assistance includes areas such as locating, neutralizing, dismantling, and disposing of nuclear, chemical, and biological weapons, and generally supporting State and local preparedness to deal with potential emergencies in this area. I support these provisions as they take the proper approach of having the Federal Government provide training and technical assistance to local entities who might face these disasters.

I am also very strongly in support of efforts to reduce the worldwide threat of nuclear weapons getting into the hands of potential terrorists, and the amendment contains important provisions aimed at helping reduce these threats. In particular, the Nunn-Lugar program, which is aimed at dismantling of Russian nuclear warheads and converting the plutonium removed from those warheads into other forms that are not likely to be used for weapons is critical to reducing the threat of misuse of nuclear weapons from the former Soviet Union. The provisions in the amendment build upon and expand this program to help make this Nation and the world safer from this threat.

However, there is one section of the amendment that I do not support. Section 1313 of subtitle A of the amendment contains provisions relating to military assistance to civilian law enforcement officials in emergency situations involving weapons of mass destruction. I have long expressed my opposition to the concept underlying these provisions. This language is based upon provisions included in the antiterrorism bill considered by the Senate last year. When the terrorism bill was voted on in the Senate, I expressed my opposition to those provisions and indicated that I could not support such an exception to the posse comitatus law, the 1878 statute which limits the role of the military in domestic law enforcement activities. I fundamentally do not believe that we should give the military arrest powers within the United States. If the military needs to be involved in a domestic investigation, I believe that civilian law enforcement officials should be present and available to make any arrests needed. If authority is needed to detain an individual until a civilian law enforcement official arrives, arguments can be made for that authority, but that does not justify, in my view, granting a direct power to make an arrest by the military under any type of circumstances.

The amendment offered by the Senator from Georgia does make an improvement in the language considered last year. It provides that the military does not have the power to make such an arrest unless the action is considered necessary for the immediate protection of human life, and civilian law enforcement officials are not capable of taking the action. The provision relating to the unavailability of civilian personnel is a step in the right direction; however, I remain fundamentally opposed to the military taking a direct arrest role. Moreover, the decision as to whether a civilian law enforcement official is capable of taking action, under this amendment, would clearly be made by the military official involved. Thus, the military itself is vested with the decisionmaking power as to whether such an arrest should be carried out by military personnel rather than civilian law enforcement.

Although I support the other important provisions of this amendment, I want the record to show that for the reasons stated I do not support this provision which would permit the military to arrest individuals within the United States.

Mr. BIDEN. Mr. President, I rise as an original cosponsor of the proposed amendment by Senators NUNN, LUGAR, and DOMENICI to better protect our Nation against the threat posed by weapons of mass destruction. Here is a Defend America Act that we should all support because, unlike the bill which bears that title, this amendment responds to a clear and present threat.

In my mind, the possibility that weapons of mass destruction could be

acquired by rogue states, criminal organizations, or individual terrorists and used against American targets is the single greatest security threat to our Nation in the post-cold war world. I commend my distinguished colleagues from Georgia and Indiana for their tireless resolve in exposing the potential magnitude of this threat, and for their diligence in crafting legislation that addresses it head on.

The legislative package has four important sections that together make up a comprehensive and strategic response to the threat of weapons of mass destruction.

First, the amendment would improve our domestic preparedness. This is really the last line of defense against weapons of mass destruction. In the horrible case that our prevention and non-proliferation efforts fail, we need to be prepared to deal with a biological, chemical, or nuclear emergency here in the United States.

The amendment includes an important counter-terrorism provision to authorize the Department of Defense to provide badly needed training and advice to local, State, and Federal officials. These are the men and women who would be the first to respond to a nuclear, chemical, or biological emergency.

The extensive hearings held by the Senator from Georgia earlier this year demonstrated that police and fire departments in our cities are not trained and equipped to detect or contain biological or chemical agents used in a terror attack. Indeed, local officials would be risking their own safety while attempting to respond to such an attack.

At present, only the Armed Services have the expertise and equipment needed in locating, neutralizing, dismantling, and disposing of such weapons or deadly material. Only the military can impart this desperately needed training on the urgent basis that it is required.

This bill, moreover, gives the Armed Forces the authority to actually assist law enforcement if, God forbid, we should ever face an emergency involving a chemical or biological weapon.

This is a provision that I worked hard on last year with Senator NUNN on the Anti-Terrorism Act. The provision was included in the Senate version of the act but taken out by Members in the House of Representatives. The Nunn-Lugar-Domenici amendment provides an opportunity to restore this important anti-terrorism measure.

Right now, the Armed Forces have the authority to provide assistance when it comes to a nuclear attack. But that authority does not extend to an emergency situation involving a chemical or biological weapon of mass destruction.

It should.

This is a carefully tailored provision. It doesn't give the military the power to make arrests or to conduct searches or seizures—unless necessary for the immediate protection of human life.

What it does is make sure that—if we were ever faced with such a nightmare—the people who are best trained, best equipped and most capable will be on the scene assisting our State and locals.

Mr. President, I want to make clear for the record that I intend to seek additional vehicles to restore the other two key provisions excluded from the Anti-Terrorism Act—those dealing with wiretapping and prohibiting information on the Internet about making bombs.

The second section of the Nunn-Lugar-Domenici amendment addresses our ability to interdict weapons of mass destruction before they reach U.S. soil. The Department of Defense would provide to the U.S. Customs Service specialized training and equipment capable of detecting weapons of mass destruction. Additional funds for the Departments of Defense and Energy would help develop new technologies to better detect such weapons and material.

Mr. President, the border controls throughout the former Soviet Union are notoriously weak. This amendment also seeks to assist the Customs officials of these countries in improving their ability to detect and interdict nuclear weapons or material.

The third area this amendment addresses is the need to continue the important work of the Nunn-Lugar programs that over the past 4 years have quietly worked to enhance the security of all Americans by dismantling nuclear weapons and protecting material at its source in the former Soviet Union. These prevention programs form our first line of defense.

Mr. President, in many ways the world has never seemed a safer place in which to live for our citizens. Our democratic way of life prevailed over totalitarian communist ideology in the cold war; Soviet nuclear missiles no longer point at American cities; we are the undisputed world power.

But these events should not give us a false sense of security. Russia and other States of the former Soviet Union are literally strewn with nuclear weapons and material. By some estimates there is at present enough nuclear material in the former Soviet Union to make over 100,000 weapons. It only takes a tiny fraction of this abundant supply, finding its way into the wrong hands to wreak unspeakable damage.

We also know that there is demand for such material by, among others, dangerous rogue States, such as Iran and Libya. Once they have secured the requisite nuclear material, the rest is relatively easy. Bomb designs are not difficult to find. Transport of a device to its intended target in an open society such as ours is painfully simple, as terrorists have demonstrated in New York and Oklahoma City.

The centralized Soviet system that prevented the possible theft or diversion of these tons of fissile material no longer exists. We regularly hear stories of nuclear facilities with no perimeter fences, no security monitors, and workers who have not been paid in months.

The key challenges before the United States and Russia are to develop an accounting system for all nuclear material in the former Soviet union, to physically protect this material in a limited number of sites, to safely dispose of excess nuclear weapons and material, to prevent theft and smuggling of nuclear material, and to prevent former Soviet nuclear experts from selling their know-how to rogue states or terrorists.

These are exactly the challenges that the Nunn-Lugar programs address. The Materials Protection, Control and Accounting Program has provided safe storage and security monitors at nuclear facilities in Russia. The Industrial Partnership Program has found productive employment for thousands of former Soviet technicians with the know-how to build nuclear weapons. These programs have proven effective and should be expanded.

Under the amendment, funds would be provided to the Department of Energy to verify the dismantlement of Russian nuclear warheads and convert the plutonium removed from the warheads. Funds also would be provided to convert the remaining three weapons-grade plutonium reactor cores in Russia. Clearly, such efforts are in the interest of the United States.

The fourth section of the amendment creates a nonproliferation coordinator, who will chair a committee on nonproliferation, and report to the President. The many levels of the threat posed by weapons of mass destruction do not fit neatly into our current bureaucratic structure. There are a plethora of agencies with some connection to the problem—including Justice, Energy, Commerce, Treasury—which do not immediately come to mind as traditional national security departments.

The coordinator would ensure a clear, comprehensive U.S. policy toward proliferation, terrorism, and global crime. By bringing together these diverse agencies to form a common policy, we will be able to use their specific strengths and expertise in combating the greatest security threat to our Nation.

I wish to add that although the amendment does not require it, I believe that the Arms Control and Disarmament Agency must play a central role in the coordinator's activities.

Mr. President, the question will undoubtedly be asked as to whether we can afford to add funds for these efforts? I believe that we cannot afford not to.

Over the last 5 years, funding for the Nunn-Lugar program has totaled $1.5 billion—an average of $300 million per year, or about one-tenth of 1 percent of our annual defense budget. The amendment today could lead to an additional expenditure of $235 million in the next fiscal year. These are meager sums

when compared to the magnitude of the threat we face. This is not a giveaway program for Russia and other independent states of the former Soviet Union. These expenditures serve our interests.

Mr. President, we are already on borrowed time. We are fortunate that an attack involving weapons of mass destruction has not yet occurred on U.S. soil. But we cannot continue to rely on fate to prevent the proliferation of these deadly weapons.

This amendment offers us a substantive means to act, prevent, and prepare against the menace of weapons of mass destruction. I urge its adoption.

Mr. NUNN. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 4349. The yeas and nays having been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Missouri [Mr. ASHCROFT], the Senator from Missouri [Mr. BOND], and the Senator from Arizona [Mr. MCCAIN] are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] is necessarily absent.

The PRESIDING OFFICER (Mr. FRIST). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—96

Abraham	Frahm	Lugar
Akaka	Frist	Mack
Baucus	Glenn	McConnell
Bennett	Gorton	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Gramm	Moynihan
Boxer	Grams	Murkowski
Bradley	Grassley	Murray
Breaux	Gregg	Nickles
Brown	Harkin	Nunn
Bryan	Hatch	Pell
Burns	Hatfield	Pressler
Byrd	Heflin	Pryor
Campbell	Helms	Reid
Chafee	Hollings	Robb
Coats	Hutchison	Rockefeller
Cochran	Inhofe	Roth
Cohen	Inouye	Santorum
Conrad	Jeffords	Sarbanes
Coverdell	Johnston	Shelby
Craig	Kassebaum	Simon
D'Amato	Kempthorne	Simpson
Daschle	Kennedy	Smith
DeWine	Kerrey	Snowe
Dodd	Kerry	Specter
Domenici	Kohl	Stevens
Dorgan	Kyl	Thomas
Exon	Lautenberg	Thompson
Faircloth	Leahy	Thurmond
Feingold	Levin	Warner
Feinstein	Lieberman	Wellstone
Ford	Lott	Wyden

NOT VOTING—4

Ashcroft	Bumpers
Bond	McCain

The amendment [No. 4349] was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. 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.

UNANIMOUS-CONSENT AGREEMENT—CLOTURE VOTE

Mr. LOTT. Mr. President, I ask unanimous consent that the cloture vote to begin immediately be postponed to occur later today at a time to be determined by the two leaders.

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

Mr. LOTT. Mr. President, for the information of all Senators, it is the hope of the leadership the Senate can reach a consent agreement that will limit the number of amendments that remain in order to the DOD authorization bill.

While these negotiations are continuing and an effort is being made to identify the amendments that are serious and need to be offered and dealt with or voted on, we are trying to suspend the cloture vote to give us time to get this list worked up. If we can, then the cloture vote will not be necessary and could be vitiated.

So I urge the Senators to come forward now. It is Thursday morning. We would like to finish up before too late tonight, but if we do not, we will be here tomorrow.

Mr. THURMOND. I wish to thank the majority leader for the statement he has made, and I am in accord with him.

Mr. GREGG. Will the leader yield?

Mr. LOTT. I yield.

Mr. GREGG. Mr. President, I would like to note for the RECORD, Senators BOND and ASHCROFT were unavoidably absent at the last vote due to the attendance of the funeral of Congressman Emerson.

Mr. LOTT. I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, may I inquire of the Chair as to what the pending business is of the Senate?

The PRESIDING OFFICER. The pending amendment is the Warner amendment No. 4350.

Mr. PRYOR. Mr. President, I ask unanimous consent that the Warner amendment be temporarily set aside.

Mr. NUNN. Mr. President, reserving the right to object—Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

Mr. PRYOR. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued with the call of the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. The Senator from New Hampshire.

PRIVILEGE OF THE FLOOR

Mr. GREGG. Mr. President, I ask unanimous consent that Bill Parlett, a congressional fellow in my office, be granted floor privileges during the consideration of the Department of Defense authorization bill, S. 1745, and that immediately after the approval of this unanimous consent request we go back into a quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. PRYOR. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

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

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank Senator PRYOR and Senator HELMS for their forbearance and consideration in allowing the quorum call to be called off. I promise that I will reinstitute the quorum call upon the completion of my remarks.

ALCOHOL INDUSTRY ADVERTISING

Mr. BYRD. Mr. President, this is a time when our Nation is working to curb alcohol abuse. I am troubled by a disturbing step backward by at least one member of the alcohol industry that I consider a significant threat to our society. There has been much recent opposition expressed by other Members of Congress to the Joseph E. Seagram & Sons Corp. blatant violation of a liquor industry advertising ban.

In 1948, the liquor industry in this country adopted a code of good practice, a self-imposed decision not to advertise distilled spirits products over the airwaves of the emerging radio and television technology. In the past 38 years that I have been a U.S. Senator, liquor companies have voluntarily complied with that agreement, abstaining from advertising on the influential mediums of radio and television—until now.

Earlier this month, Seagram Corp. began airing commercials for its Crown Royal Canadian Whiskey on a television station in Texas, defiantly breaking the industry's promise to our country, and self-indulgently putting sales dollars ahead of the future of our children.

I have long decried the quality of much of television programming. The overwhelming influences of television

on our Nation have contributed mightily to the moral decay in our communities. No group is affected more by the irreverent programming than our children. In all too many homes, today's youth are reared by the ''electronic babysitter.'' Studies show that the average child will view 25,000 hours of programming by the age of 18. While this broadcasting brew is already being polluted by commercials from the beer and wine industries, it is even more important to guard against mixing hard liquor ads into the cauldron.

The Seagram commercial not only defies the industry's own longtime agreement, but it also aims to appeal to a younger audience. The liquor advertisement portrays two dogs graduating from ''obedience'' school. One holds a mere newspaper, while the other carries a bottle of Crown Royal. The canine with the newspaper is labeled simply ''graduate,'' while the other dog with a bottle of whiskey is titled ''valedictorian.''

In addition to the youth appeal of animal characters, the propaganda is further propelled by the background tune ''Pomp and Circumstance,'' recognized as the music played at countless high school and college graduations this time of year.

I find it reprehensible that the Seagram Corp. would associate academic achievement with hard liquor. Think of it; associating academic achievement with hard liquor. How preposterous.

Alcohol is the No. 1 drug problem among young Americans—and some older ones as well. It is the leading cause of death and injury for teenagers and young adults. Drinking impairs one's judgment. And alcohol mixed with teenage driving is a lethal combination.

The Senate recently approved an amendment which I introduced that requires States to adopt a zero tolerance standard for drivers under the nationwide legal drinking age of 21. The zero tolerance law corrects a loophole to help ensure that underage drivers who register blood alcohol levels as low as .02 percent are subject to State imposed drunk driving sanctions.

This action not only will help to save lives—and it may be your life, and it may be your life, and it may be your life to save—but it will also serve to send a message, the right message, to our Nation's youth that drinking and driving just will not work.

I have been asked upon some occasions to participate in advertising that would say, ''Do not drink and drive.'' I did not say ''Do not drink and drive.'' I said, ''Do not drink, period. Do not drink, period.'' There is nothing good in it. Alcohol consumption leads to a higher crime rate. It is a contributing factor in assaults, murders, and other violent crimes.

As a member of the West Virginia State Senate in 1951, I requested of the warden of the West Virginia Penitentiary that I be a witness at the execution of a young man by the name of James Hewlett. James Hewlett was from Fayette County, a neighboring county to my own county of Raleigh in West Virginia.

Hewlett had asked a cabdriver to take him from Huntington to Logan. On the way to Logan, Hewlett shot the cabdriver in the back, robbed him, dumped his body by the side of the road, and went on his own way with the cab. He was later apprehended in a theater at Montgomery, West Virginia. He was sentenced to die in the electric chair.

For months he rejected the idea of having a chaplain in his cell. But as the months and weeks and days went by, and Governor Patteson of West Virginia declined to commute his sentence, Hewlett knew that he was going to have to die, and he asked for a chaplain to be with him in his cell.

On this particular occasion, I drove from Charleston, the capital, to Moundsville where the West Virginia Penitentiary is located.

I asked the warden if I might go down and talk with Jim Hewlett in his cell. About an hour before the execution, I was allowed to enter the cell of Jim Hewlett. I shook his hand, and shook hands with the chaplain in his cell.

I said to Hewlett, ''From time to time I speak to young people; Boy Scout groups, Girl Scout groups, 4–H clubs. I wonder if you might have a message that I can pass on to these young people as I have an opportunity to visit and speak with them around the State.'' He said, ''Tell them to go to Sunday school and church.'' He said, ''If I had gone, I might not be here tonight.''

We exchanged a few more words. And as I was about to leave, he said, ''Tell them one more thing. Tell them not to drink the stuff that I drank.'' ''Tell them not to drink the stuff that I drank.''

I have told that story many times to young people around my State.

''Tell them not to drink the stuff that I drank.'' Those were Hewlett's exact words.

I said, ''What do you mean by that?'' The chaplain broke in, and said, ''You see that little crack in the wall up there?'' He said, ''If he were to take a drink right now, he would try to get through that little crack in the wall. That is how alcohol affects him.''

I then said goodbye to Mr. Hewlett and to the chaplain, went on back to the warden's office, and at 9 o'clock he called us up to his desk. And he said, ''We will now go over to the death chamber. If you have cameras leave them here. There will be no picture taking, and when the execution is over we will return here.''

I witnessed the execution.

Several years later I was in the northern panhandle of West Virginia, and someone suggested to me that I go down and see the local priest who was very ill. I did not know the priest. I did not recognize the name. It was Father Farrell. So I got the directions and drove down to see Father Farrell. He was very ill. But we talked a little while.

And how I came to tell this story, I do not know how it occurred to me to tell this particular story. I had never seen Father Farrell before, to my recollection. So I told the story, and he listened very carefully. When I had finished telling the story of witnessing this execution and having visited the cell of Jim Hewlett prior to the execution, Father Farrell said, ''Yes. That is the way it was. You see, I was the chaplain in the cell that night when you visited Jim Hewlett,'' which shows that there is, indeed, a wheel that turns, and we never know when we will see someone in later years whom we have met before, perhaps in some distant land and different clime.

The point here is that this young man, who stood staring death and eternity in the face, said, ''Tell them not to drink the stuff that I drank.''

So alcohol consumption leads to a higher crime rate. It is a contributing factor, as I say, in assaults and murders and other violent crimes. It was a contributing factor in the crime that was committed by Jim Hewlett. It leads to numerous health problems as well as to the gradual death of habitual drinkers. Oftentimes, it leads not only to the death of the drinker but leads also to the death of someone else—an innocent mother who is driving a car—perhaps, with some children in the car with her. Oftentimes, the intoxicated driver escapes without injury or ends up with only a few bruises after he has killed someone else.

An individual of legal drinking age makes his or her decision to drink, but surely it is careless to impose messages relating valedictorian status—how obnoxious, how obscene, is such a statement—impose messages relating valedictorian status with whiskey and to broadcast these messages through the seducing medium of television.

My concern is for the future quality of life of the citizens of this country. Television's impact on our society is already excessive, bombarding viewers with scenes of violence and obscenity.

Results of one study found that, on average, by the time a child reaches the seventh grade he or she has already been exposed to more than 100,000 assorted acts of violence. And while, in my own estimation, television industry executives have largely failed to exercise proper responsibility for the quality of their shows—as a matter of fact, there are very few shows that have any quality at all, any positive quality; they have, instead, a negative quality—I do give them credit today because, since the ban, the three major broadcasting networks have thus far refused to run hard liquor advertisements, and I encourage them to continue this prudent policy.

The liquor industry's trade association, the Distilled Spirits Council of

the United States, claims that the advertising ban is outdated, old fashioned, and is a throwback to Prohibition era concerns. But distilleries know as well as I know that television has grown increasingly influential in our society, which makes the code of good practice ban more important than it ever was.

As a nation that purports to care about the health, safety and well-being of its people, and as a nation that spends billions of dollars every year on the health care of its people, the very least we can do is to try to address the dangers of alcohol by discouraging the early drinking that often results in later addiction, alcohol dependency, or even more unfortunate consequences.

It is dangerously irresponsible for liquor companies to merchandise their vices using the influential power and looming ubiquity of television. Shame. Shame on the Seagram Corp.—shame on the Seagram Corp.—for defying its own agreement with the people of this country.

I urge every member of the liquor industry to comply with the 48-year-old decision to keep liquor ads off the airwaves—off the airwaves. The health, the well-being, and moral character of our Nation far outweighs the profit that might be generated from broadcast advertisements peddling hard liquor.

Mr. President, ''Tell them not to drink the stuff that I drank.''

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. INHOFE). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. I say to my colleagues, this is only for a speech, after which I will put the quorum call back in.

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, I ask, on behalf of Senator HARKIN, that Kevin Ayelsworth be accorded the privilege of the floor during debate on this bill.

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

THE SAVANNAH RIVER SITE

Mr. NUNN. Mr. President, I would like to take this opportunity, while we are in the process of trying to work matters out, so we do not waste the time of the Senate, to discuss the future of a facility that has long been a key component of our Nation's security, the Department of Energy Savannah River Site. I know my colleague, the chairman, the Senator from South Carolina, has been a devoted supporter of the work being done there for a long time.

Located on the Savannah River in South Carolina along the Georgia/South Carolina border and known locally as just Savannah River, this site is 16 miles from Augusta, GA, and 12 miles from Aiken, SC. The Chairman of the Senate Armed Services Committee, Senator THURMOND, and I have worked together for over 23 years on issues related to Savannah River. He has really been the leader here. We have teamed together over the years to insure that the Savannah River complex meets the Nation's national security needs. Today, I want to address the future of that complex.

The end of the cold war and the signing of two landmark strategic arms reduction treaties will produce dramatic reductions both in the future role of nuclear weapons in our Nation's national security planning, and in the size of our nuclear weapons stockpile. Moreover, the building momentum toward a comprehensive test ban treaty, if it occurs, could eliminate the design and production of new nuclear weapons with new military requirements. Thus, the Department of Energy has begun to reduce the size and complexity of its nuclear weapons production facilities. As part of this process, the Savannah River Site must adapt to the changing national security picture, and must broaden its long-standing focus beyond the production of nuclear weapons materials.

At the close of World War II, the United States was the only nation in the world with the technological capability to design and build nuclear weapons—weapons which became an essential element of our national security and deterrent posture. In the early years of the Atomic Age, the technology was crude and the materials needed for these weapons were scarce. To remedy this situation, the United States embarked on a massive post-war effort to develop a nuclear weapons production complex that could design, test, build, modify, and disassemble nuclear weapons on an industrial scale, and that could produce all the necessary materials, such as plutonium, highly-enriched uranium, and tritium, in the quantities needed to support such a program. In the 1950's, the Atomic Energy Commission, built most of what we know today as the nuclear weapons production complex. This complex, scattered among 13 States and located on thousands of square miles, produced tens of thousands of nuclear warheads over the last half-century. These warheads were the very foundation of our deterrence strategy that, to date, has worked with no weapons being used—and thank God for that.

One of the major facilities of the nuclear weapons production complex is the Savannah River Site. Savannah River consists of over 300 square miles on what was originally farmland in rural South Carolina. This land was acquired by the Atomic Energy Commission from over 1,600 individual owners. Once acquired, the land was taken over by an army of construction workers. Building the facilities was a tremendous task that included relocating a small town. Even today, the remains of house foundations, sidewalks, and streets can still be seen.

Most of the original production facilities at the site were built in just 2 years. These included: five nuclear materials production reactors; two areas for reprocessing and recovering the materials produced in the reactors; facilities for heavy water production; reactor fuel and reactor target facilities; and a large number of support facilities.

E.I. du Pont Co. was asked both to build and to run the facility. Du Pont accepted the challenge, and for the sum of $1 per year, du Pont constructed and then operated Savannah River for 40 years. Today, a subsidiary of Westinghouse runs Savannah River for the Department of Energy.

Over the last half-century, Savannah River and its 20,000 employees have played a major role in winning the cold war. But that confrontation is now over. As a result, Savannah River, like so many other defense facilities, must find new roles and a new future. What is the future of the Savannah River and what new missions are possible? How can the Nation best utilize the Savannah River Sites—unique talents of its skilled work 'force and its large and easily accessible physical plant? How can Savannah River draw on its history, its skills, and lessons learned to make a substantial contribution to our national security for the next 50 years? These questions are important to the Department of Energy, the Department of Defense, the communities in Georgia and South Carolina affected by the Savannah River complex, and, of course, those dedicated employees who work in that facility.

I believe that there are at least three new and challenging missions for Savannah River: a cleanup technologies mission; an energy and environmental research mission; and a new national security mission.

First, the Cleanup Mission. Over the past 50 years of operation, the Department of Energy's nuclear weapons production complex has generated enormous amounts of waste materials. This has led to extensive environmental contamination of the 17 facilities in 13 States that make up the complex. The challenges facing the Department of Energy as it moves to clean up this complex are enormous. Neither the exact cost nor the timetable for this cleanup is known, but most estimates have been in the hundreds of billions of dollars range, over decades of activity.

Today, cleanup is complicated by the absence of agreed, legally-binding cleanup standards. No one knows for sure what clean really means, or how much cleanup is enough. Identification of the extent of the contamination is

difficult, and most technologies for cleanup are either time-consuming, expensive, and not terribly efficient, or not yet invented, or some combination of the above.

The Department of Energy has set a 30-year goal to complete the cleanup, but the former Office of Technology Assessment [OTA] suggested that that goal was unreachable. The OTA also found that, quote:

> The current regulatory process is not sufficient to identify effectively urgent health-based remediation needs or to comprehensively identify public health impacts.

Thus, it is virtually impossible to make a reasoned assessment as to what should be cleaned up immediately and what can wait. In the absence of agreed cleanup standards, the political process tends to set priorities for cleanup funding—and this is not simply at Savannah River but throughout the whole Energy Department; it is one of our biggest problems—according to the squeaky wheel principle, rather than based on scientific and immediate needs.

The success of Savannah River as one of DOE's production sites has not been without its costs. Like most industrial sites, and the other sites in the nuclear weapons production complex, Savannah River generated many waste streams from its operations, including large amounts of toxic, hazardous, and radioactive wastes in a variety of forms. Some of these materials were stored on-site, and some were disposed of at the site. Other wastes were simply discharged into the on-site environment. In some instances, the practices employed were fully acceptable at the time; in other instances, the urgency of production to meet cold war threats meant that little thought was given to the long-term consequences of certain production, storage, and disposal practices.

Over time, huge amounts of hazardous wastes were generated and stored because there was no known method either to treat or to dispose of the waste. Unfortunately, when existing storage sites were filled, the usual practice was to build more waste storage areas. Little thought and less money went to identify ways to treat or dispose of the waste and to reduce the amounts of waste in storage. Thus, wastes continued to accumulate over the years. Today, Savannah River stores, in underground tanks, more than 34 million gallons of liquid, highly radioactive waste—enough to cover nearly 120 football fields 1 foot deep.

The good news is that, earlier this year, DOE achieved startup of the Defense Waste Processing Facility at the Savannah River site. This new plant takes those highly radioactive liquid wastes from the tanks, mixes the waste with melted glass, and molds the cooled waste in glass cylinders glass logs. Although the glass logs are also highly radioactive, they are easier to handle, and ultimately transport to a high-level waste storage facility. The added advantage is that compared to the tanks, they will not leak. This process is known as ''vitrification.''

I am pleased that this new plant has finally started operation; it is a badly needed addition to cleanup technology. In this year's defense authorization bill, we have authorized an additional $15 million to accelerate the rate of production of the glass logs at this plant. At DOE's proposed long-term funding levels and planned operating rate, it would take until the year 2028—that is over 30 years—to vitrify just the liquid wastes stored in the tanks today. In my judgment, that is too long to have to rely on storage in underground tanks. It is my hope that future Congresses will fund this plant for operation at its maximum design rate, in which case, the storage tanks could be emptied about a decade sooner.

Another of the potential cleanup missions for the Savannah River site has come into focus with the recent brief run of the H-canyon reprocessing facility. The H-canyon was restarted in order to reprocess an accumulation of surplus materials left throughout the plant complex when operations were suspended, supposedly temporarily. This brief operation of the H-canyon has removed radioactive and hazardous materials from numerous areas across the site and consolidated it with already stored waste. This has reduced hazards across the complex, improving worker health and safety in many plant locations.

Last year, the Secretary of Energy announced that the Savannah River site had been designated to receive shipments of highly radioactive spent fuel from a number of foreign research reactors to which we had provided new fuel many years ago. This decision means that Savannah River will become a so-called temporary storage site for additional quantities of spent fuel. On nonproliferation policy grounds, this administration has refused to reprocess either this returning research reactor fuel or the large accumulation of spent fuel from the old reactors on site. Yet, I do not believe that we can allow the Savannah River site to continue to accumulate spent fuel while we wait—and wait—and wait—for some ultimate long-term spent- fuel storage plan to emerge.

There are other options, and those options need to be addressed. Obviously, one option would be to begin reprocessing of spent fuel stored at Savannah River, followed by vitrification of the resulting liquid waste streams at a second Defense waste processing facility. A second facility would be a necessity. Even at full capacity, the DWPF plant that just opened will take too long, in my judgment, to rid the site of the already stored liquid wastes, with all their hazards of leakage and accident. We dare not add to those risks by reprocessing spent fuel, and then storing new liquid wastes in the old tanks being emptied. I believe DOE will soon have to consider seriously this reprocessing option. The administration will also have to carefully weigh the impact of reprocessing on U.S. nonproliferation policy against the growing reluctance of States and their citizens to be burdened with additional radioactive and hazardous wastes, particularly when brought from abroad, and this is certainly true in Georgia, and I think also in South Carolina.

Savannah River faces a massive cleanup challenge, apart from the liquid storage challenge. In just the last 2 years, the Energy Department has spent over a billion dollars at Savannah River on environmental restoration and waste management activities. Between 1991 and 1997, it will have spent between $3.5 and $4.5 billion for cleanup activities at Savannah River. Unfortunately, much of this money will be spent on managing the storage of the accumulated wastes, not on cleaning up waste sites. These funds are just the tip of a total cleanup iceberg at Savannah River that will probably take decades—and additional billions of dollars—to complete.

In carrying out this long-term cleanup, we need to focus on more than the ultimate goal of restoring the land and water at Savannah River to a more acceptable condition. We also must focus on developing more cost-effective technologies with which to carry out the cleanup in future years. This is enormously important. If we do not develop new technologies, there will not be enough money in the Treasury to clean up all this, plus the other sites all over the country. From the perspective of cleanup technologies, Savannah River is already ahead of many of the other Department of Energy facilities. For that reason, Savannah River has the potential to make positive contributions, not only to ongoing cleanup activities at other sites, but also to new waste treatment technologies that will allow us to avoid a repeat of the experiences of the last 50 years.

For example, horizontal drilling methods, borrowed from the oil drilling industry and used at Savannah River, have succeeded for the first time in removing volatile contaminants from soils. This project was so successful that the Department of Energy was able to remove the contaminants 11 times more quickly than by previous cleanup methods.

Much of the hazardous material contaminating Savannah River is not radioactive. The nonradioactive hazardous materials are for the most part solvents and other materials commonly used in industrial operations. Savannah River has been, and should continue to be, a test bed for new, innovative cleanup and waste treatment methodologies. Industry does not have the same ability and latitude as Savannah River to develop and test innovative cleanup and waste treatment technologies. This unique Savannah River capability should be fully utilized.

The requirement to clean up the water and the land at Savannah River

also presents the opportunity to develop new, environmentally sound, manufacturing and waste treatment technologies. The development of an environmental restoration and waste management research center at Savannah River would contribute significantly to increased efficiency in remediation technologies. Development of environmental technologies like these would greatly assist the United States in restoring its reputation as the world's environmental leader.

THE ENVIRONMENTAL AND ENERGY RESEARCH MISSION

When Savannah River was under construction in the 1950's, the AEC was concerned about the safety of the surrounding population, particularly in the event of an accident. As a result, the reactors and other production facilities are located in the center of the site, and occupy only 5 percent of the total site area. Surrounding these production facilities is a large, relatively untouched natural area. This buffer zone, designed to protect the public, has also protected a broad array of wildlife, including five currently endangered species.

The seeds of change to support an environmental and energy research mission were planted back in 1972 when, to protect this rich buffer zone, the AEC designated the Savannah River site as the Nation's first national environmental research park. Today, Savannah River is home to the Savannah River Ecology Laboratory, a major environmental research center operated by the University of Georgia. The laboratory should serve as one foundation for this major new and positive mission for Savannah River. The physical attributes of the site, coupled with the unique expertise of the Savannah Ecology Laboratory, make Savannah River an ideal choice for energy and ecology research.

Mr. President, development of environmentally sound energy sources is one important key to the ability of the United States to remain competitive in manufacturing. Greater energy independence is also critically important to our national security interests. Environmentally sound, renewable energy production can simultaneously reduce the Nation's dependence on foreign oil and ensure that we need not risk exploring for oil in environmentally sensitive coastal and offshore areas.

Savannah River's size and location make it a unique site in the southeastern United States for development of solar energy research, for clean coal research, and as a possible research park for nuclear power and the next generation of nuclear power reactors.

The Ecology Laboratory is a leader in the study of radiation and its effects on the environment, and thus is a natural player in the quest to identify environmentally sound energy sources. This special capability, coupled with the exceptional technical skills of the Savannah River work force, presents a rare opportunity for environmentally sound energy research.

THE NATIONAL SECURITY MISSIONS

The third mission, of course, is the national security mission. In the search for new missions, Savannah River must not lose sight of its traditional national security mission, which will continue for the foreseeable future. But this mission must be carried out in an environmentally sound manner.

The continuing national security mission for Savannah River is built around tritium. Tritium is a key ingredient in U.S. nuclear weapons. Tritium gas decays over time, and, thus, the tritium in our nuclear weapons must be replaced at regular intervals. Tritium formerly was produced in reactors at Savannah River, but tritium production ended with the shutdown of those reactors in the late 1980's. Since the number of U.S. nuclear weapons has been declining as a result of START agreements, Savannah River has been able to recover and recycle the tritium from retired nuclear weapons. This recovered tritium has then been reused in the weapons remaining in the stockpile. These efforts have allowed the United States to postpone new production for some time. But that time will run out in the next few years.

New production of tritium will be needed early in the next decade, possibly as early as 2005. That means that a source of new tritium production must be identified in the next year or two. As a Nation, we must ensure that, once the current excess inventory of tritium is depleted, we have in place a new, safe, and highly reliable source of tritium. With its special tritium-handling capacity, newly constructed tritium handling facilities and long-standing expertise, Savannah River will remain a key player in preserving our nuclear arsenal.

Location of an accelerator for new tritium production capacity at Savannah River would be a natural and logical complement to the existing tritium handling and loading capacity already located there.

Another feasible, and probably more cost-effective, option would be to produce tritium in an existing commercial reactor, either through purchase of irradiation services or through purchase by DOE of an existing commercial reactor, to be operated by a contractor. In this option, the tritium targets would be shipped to Savannah River, where it would be recovered and made ready for the inventory. If this option were selected, Plant Vogtle, owned by the Georgia Power Co. and located directly across the Savannah River from the Savannah River site, would be a leading candidate. DOE will select the technology for new tritium production at the end of 1998.

All of these options have to be weighed both to their advantages and disadvantages.

In the meantime, the DOE has to develop a nearer term contingency capability in the event of a national emergency. This contingency capability will be provided through the use of commercial reactors. Expanded tritium extraction capability will have to be constructed at Savannah River to support this contingency capability. The Defense Authorization bill reported by the Senate Armed Services Committee contains funding to begin the design process for this new tritium extraction facility.

In the years to come, whatever technology is selected in 1998 by the Department of Energy, Savannah River will continue to play the lead role in ensuring that all nuclear weapons remaining in the United States inventory have an assured supply of tritium.

Savannah River should also play a new role in an emerging area of national security. The end of the cold war and the negotiations of new arms control agreements means that both this country and the Russian Federation are about to embark on the most massive drawdown and dismantlement of nuclear weapons in history. This process introduces new problems for the weapons complex. As nuclear weapons are dismantled, the fissionable materials remaining—plutonium and uranium—must be safely and reliably accounted for and stored pending permanent disposal. Long-term storage of these materials raises a number of environmental, proliferation, as well as, of course, political issues. Of course, these issues are extremely difficult.

New, innovative, peaceful uses for these fissile materials, particularly plutonium, must be developed. Savannah River, long a production site for plutonium, has the specialized skills to help identify methods to account for, to use for nonweapons purposes, or to destroy plutonium. Savannah River should play a key role in the dismantlement process through the identification, development, and demonstration of reuse and/or destruction technologies for plutonium. This is quite a challenge, but the challenge must be met.

NEXT STEPS

Savannah River's new course must emerge over the coming years. A new course for the Savannah River site can only be successful with the participation and support of the communities surrounding the site, the States of Georgia and South Carolina, the Department of Energy and its operating contractor, the environmental and regulatory communities, and the Congress. I have outlined this morning a number of suggestions for the future of the Savannah River site, and I look forward to working with all of these important players, and particularly with the chairman of this committee, Senator THURMOND, who is an expert and really understands the challenges there, in defining, shaping, and implementing the future missions of the Savannah River site—''The second 50 years.''

Mr. President, that completes my remarks. In accordance with my agreement, 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. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, if no other Senator is desiring to take the floor at this particular moment, I would like to speak on an amendment that I have filed at the desk but do not plan to offer until the current matter is resolved.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 4363

Mr. ROBB. Mr. President, the amendment that I have filed at the desk is number 4363. It is designed to bring more discipline to the manner in which we authorize and appropriate military programs. Each year we receive from the administration a request for authorization of defense programs for the upcoming fiscal year. That request is the product of a lengthy and thorough process at the Department of Defense, Department of Energy, the Office of Management and Budget, the White House, and many other Federal agencies, to forge the best military force possible in the face of some rather severe fiscal constraints.

The process of building DOD's budget is an enormously complicated process. It is unique in scope among Government departments. It involves at least 2 years of preparation explicitly for one fiscal year's budget submission. It involves hundreds of thousands of manhours by experts throughout the defense community. It involves careful analysis, computer modeling, war-gaming, tradeoffs, and compromise. It is not a process that we in the Congress should take lightly. We have extraordinary expertise here in the Senate among both Members and staff, but I believe we would be naive to ignore the complexity and delicate nature of maintaining a defense program that best serves the national interests.

Mr. President, I am not suggesting that we defer carte blanche to the Department of Defense. I am suggesting that we exercise considerable caution in making significant changes to the request, especially in the areas of military equipment and construction, areas where Members are particularly inclined to make adds which may have nothing to do with national security.

Mr. President, this year alone the committee has added more than $13 billion to the administration's fiscal year 1997 request. I support most of that increase because I believe we are not doing enough to modernize and replace our aging weapons inventory. I am very much concerned that too much of that increase, almost $2.2 billion by one estimate, involves programs not requested by the administration, not mentioned by any of the services in their so-called wish list for priority items that did not make the budget request and not even a part of DOD's long-range 5-year plan.

To this effect, I am offering this sense-of-the-Senate resolution, along with the distinguished Senator from Arizona, Senator MCCAIN, that urges the Senate, to the extent practicable, to authorize military equipment and to appropriate military equipment only if that equipment is, first, in the administration's request; or second, in the long-range plans of the Department of Defense; or third, in a supplemental request issued by the Office of the Secretary of Defense, the military departments, the National Guard Bureau, or the Reserve chiefs, after the initial request is made.

If an item meets one or more of these criteria, we would be assured that at a minimum it is something that the military believes that it needs either now or in the future if more funds were available. If an item cannot meet these minimal criteria, then I think at the very least it deserves very careful and critical examination.

Mr. President, this amendment, when formally offered, does not state that the Senate should never authorize requests that did not meet these criteria. I am not urging that we advocate our legislative responsibilities by deferring without question to the Department. Indeed, the reason I voted against the amendment offered yesterday that would have deleted all spending not specifically requested by the Department is that I thought it could be interpreted as a complete abdication of legislative responsibility, and I did not want to go that far.

Rather, the amendment that I have filed at the desk calls for the Senate Armed Services Committee to include a separate section in the committee report, and it will be amended to include similar language to affect the appropriating committee, that would provide a detailed national security justification for any equipment that does not meet the criteria.

The amendment also calls for a separate section in the Armed Services Committee report, justifying any military construction projects that do not meet the military construction project criteria that was set forth by my good friend from Arizona in the fiscal year 1995 defense authorization bill. Similar language will be inserted to effect the appropriations process.

Mr. NUNN. Will the Senator yield?

Mr. ROBB. Mr. President, I am happy to yield to the Senator.

Mr. NUNN. I have not studied the amendment, and I would like to look at it more. I suggest, and I believe the Senator may have said this, if this applies to the authorization committee, it certainly should also apply to the appropriation committee.

Mr. ROBB. Mr. President, I say to the distinguished Senator from Georgia that the current language does not, but I have included in my remarks an intent to modify the amendment when formally taken up so that both the authorizing and the appropriating committees would be affected by the language. It is very much in concert with the intent long expressed in the leadership provided by the distinguished Senator from Georgia and many others who have worked long and hard with the military committees, both the authorizing and the appropriating committees.

Mr. President, the criteria that I am referring to, the inspiration for this particular amendment, call for the Senate to authorize only those military construction projects that are in the request in the DOD's future years defense plan and that meet other important criteria or similarly are affected by the appropriations process. Those criteria have already served the national interest well by substantially curtailing the authorization of construction projects not requested by the department.

In an era when defense dollars are becoming tougher to find, while our sources are stretched thin overseas, it seems to me critical that we exercise extraordinary prudence and foresight in avoiding the expenditure of taxpayer dollars for purposes other than those recommended by the Department of Defense. By highlighting these items in the committee report, we increase the visibility of these add-ons and ensure that they are fully justified in and evaluated by the Congress and the public at large.

Let me be clear, Mr. President, all of us have at one time or another requested projects that do not meet the criteria established in this amendment, myself included. But if these are projects that we feel strongly about in terms of their national security value, we ought to be prepared to have those items highlighted as adds in the committee report and defend them on their merit.

Let me make a comment about the National Guard and Reserves. We are all aware of the DOD's perpetual unwillingness to adequately fund Guard and Reserve equipment and military construction accounts. Too often, without congressional leadership, the Guard and Reserves would be using outmoded equipment and operating out of tents.

The criteria set forth in this amendment include any requests from the National Guard Bureau and the Reserve components. In addition, much of the Guard and Reserve equipment and military construction we authorize each year is, in fact, in the future year's defense plan of the Department of Defense, but we just do not see it.

To remedy this, I introduced an amendment, along with my distinguished senior colleague from Virginia, Senator WARNER, that was agreed to yesterday to require in permanent law the submission to Congress of the

DOD's future plan, or FYDP, for the Guard and Reserves. The DOD is currently required to submit its FYDP only for the active forces. That amendment will, at a minimum, allow the Congress to make more informed judgments about what should be added for Guard and Reserve forces.

All of the men and women of our Armed Forces—active, Reserve, and Guard—deserve to have equipment and facilities that meet their needs. In short, Mr. President, we owe it to them to avoid authorizing those items that the Department of Defense has shown no interest in now or in the future, or appropriating those items which the Department of Defense has shown no interest in now or for the future, and to have the courage explicitly to highlight debate and justify any such items that we decide to go ahead with and authorize.

With that, Mr. President, at the appropriate time, I will modify the amendment at the desk, and I will urge its adoption. 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.

1996 ATLANTA OLYMPIC GAMES

Mr. NUNN. Mr. President, over the course of recent weeks, there has been growing interest and excitement in the 1996 Atlanta Olympic games. This has been highlighted by the Olympic torch relay across the country and here at the U.S. Capitol last week. It was further enhanced by the electrifying record-breaking runs at the Olympic trials held this past weekend. The Centennial Olympic games begin in less than 4 weeks and will be held principally in Atlanta. However, additional venues are scattered throughout the State of Georgia as well as Florida, Alabama, Tennessee, and the District of Columbia.

All in all, more than 10,000 athletes and 2 million spectators from around the world will participate in the games, making this event the largest peacetime gathering in history. By comparison, the Atlanta games will be approximately twice the size of the Los Angeles Olympics in terms of the number of participants and spectators.

In addition, Atlanta will host athletes from 197 countries around the globe. That is an additional 57 countries from those 140 which participated in the 1984 games.

To give my colleagues a point of reference, particularly for the football fans among them, the Atlanta Olympic games will be the equivalent of one city hosting six Super Bowl games each day for 17 days straight.

So it is a Super Bowl times six each day for 17 days. That is quite an undertaking.

Not surprisingly, such an event as the centennial games is too big for any single municipal or State government to take care of the safety and security without appropriate help from the Federal Government.

Those who won the selection of Atlanta as the Olympic venue understood at the beginning that they would be responsible for providing the cost of putting on the games, and they are spending about $1.5 billion to do so. They should not and did not, however, plan to pay the bill to guarantee the security of millions of visitors from all over the world and all of the athletes in an era of terrorism. In the era of modern terrorism, safety for an event of this type simply cannot be guaranteed without help from the Federal Government. So if you remove the Federal Government from the scene, there would be no venue in America, in my opinion, that could host international games, certainly not of this magnitude.

Mr. President, I support appropriate Department of Defense assistance for the Atlanta Olympics. My friend, Senator COVERDELL, and I have supported this funding, and we have done so vigorously, and many of our colleagues, in fact a vast majority on the floor of the Senate and in the House, have joined us.

This is not simply because it is Atlanta. I supported similar funding and support for the Olympic games at Lake Placid in 1980 and Los Angeles in 1994, the PanAmerican games in Indianapolis in 1987 and the Special Olympics in New Haven in 1995, as well as other international contests hosted by the United States. It simply has to be done. It is one of those elements of national security that is very, very important, and it must be defined as national security because no city or State can possibly deal with the kind of threats of terrorism we have in the world today.

For events of such magnitude, the Congress has long authorized the use of military personnel and equipment—in carefully prescribed circumstances—to be used in support of these events. In some cases, this support requires full reimbursement, and in some cases—such as security activities—there is no reimbursement requirement. For the Atlanta games, Federal support for the Olympics and Paralympics has been a bipartisan effort from day one under the Bush administration. This bipartisan effort has continued through the years as the Congress has provided the appropriate authorization and appropriation to support the games in both Republican and Democratic administrations, both Republican and Democratic Congresses.

Unfortunately, there have been a number of glaringly inaccurate or misleading reports about support provided to the Atlanta Olympics.

I think it is important, before we have an Olympic amendment which we are going to have which hopefully will be worked out, it is important to have some background here because our friends in Utah, Senator HATCH and Senator BENNETT, are going to be faced with the same kind of challenges in terms of security in the years ahead as they prepare for the Winter Olympics which has already been awarded to that State and to our country.

Some of these accounts have questioned in particular the appropriateness of Department of Defense personnel and equipment being used to provide security and security-related support for the Atlanta Olympic games.

I realize that an important part of our democracy is public scrutiny of government actions. Elected officials and others in government must be held accountable for their actions. It is entirely appropriate for the public, the news media, and Members of Congress to ask the tough questions about stewardship of public funds and resources.

However, the media and the Congress have a responsibility to provide the public with facts—not half-truths, innuendo, and unsubstantiated opinion without factual foundation. Given the numerous inaccuracies contained in many of the media and congressional statements regarding the Olympics, I rise today to provide what the news commentator Paul Harvey called the rest of the story.

In 1991, Congress authorized the Department of Defense to provide personnel and logistics support for the Centennial Olympic games as well as the Paralympics—the inspiring competition of some 4,000 disabled athletes from 102 counties who have overcome a handicap to become a world-class athlete. Believe me, these are, indeed, world class athletics. The Paralympics take place 11 days after the conclusion of the Olympics, although they are not under the direction or direct auspices of the Atlanta Committee for the Olympic Games [ACOG]. In other words, they are not under ACOG, but it will take place in many of the same venues and will be in the Atlanta vicinity.

Taxpayer-funded DOD support for the Olympics is provided for functions to protect the safety of participants and spectators in four States and the District of Columbia. Requests for DOD services have been jointly compiled over a 4-year period of study by security personnel and others representing over 50 local, State, and Federal Government agencies. The DOD and the military services reviewed these requests and accepted only those they considered appropriate for security and security-related support. DOD can provide non-security support for special events on a reimbursable basis—and, DOD is doing so for the Atlanta Olympic and Paralympic games. Where DOD has a unique capability not readily available elsewhere they have been providing some of the support on a reimbursable basis.

This is not a comprehensive list of everything that has been said, but it is my best effort to deal with some of the

more egregious accounts or distortions that I have come across about the Olympics and the Paralympics and the facts that respond to these allegations which have been, in some cases, misleading and in other cases completely false.

This is an up-to-date list as of today, but I must say the critics of the Atlanta Committee on the Olympic games seem to come up with new allegations as fast as old ones are refuted. Let me just deal with a few of them today because I think it is important for the record to be straight. I certainly think it is important as we consider a later amendment, and also as Senator HATCH and Senator BENNETT deal with the security requests that will be forthcoming for the games that will be held in Utah.

Misleading report No. 1: DOD has acceded to all requests from ACOG and State and local law enforcement groups without making measured judgments of what type of military-related assistance is justified and appropriate. That is the charge. Fact: DOD received numerous requests for assistance from ACOG and law enforcement agencies which DOD considered inappropriate for military personnel to execute and these were denied. For example, request for DOD to: operate magnetometers at entry points—request denied; guard local communications and power infrastructure—request denied; provide security support at the International Press Center, Centennial Park, International Olympic Committee Headquarters, and VIP hotels—request denied.

Neither I nor DOD would contend that these requests were frivolous. It is simply that within the scope of available resources and the best analysis of the type of security threat that requires U.S. military help, careful judgments were made from the perspective of stewardship of resources and the proper use of military personnel.

Misleading report No. 2: That $13,325 spent by DOD was wasted on what a May 7, 1996 Washington Post article described, ''something called aviation planning and landing zones.'' That is the charge. Fact: DOD spent this sum for aerial surveys to determine the best locations to bring in military or law enforcement helicopters in an emergency. We must remember that the majority of the Olympic events will occur within a 3-mile area in downtown Atlanta, which has restricted airspace and will be flooded with Olympic participants and spectators. Route planning for emergency airlift situations is a critical security function and does not require the DOD to be reimbursed. It is my great hope that medical teams, hostage rescue forces or explosive ordnance or chemical/biological teams will not be called upon to fly into an event area. However, if they are, this prudent planning will save time and perhaps precious lives in an emergency.

Misleading report No. 3: Military personnel will be used to drive buses and vans to transport spectators to the Olympic Games. Fact: Military personnel will not drive spectator buses and vans. Military personnel will be used to transport athletes and law enforcement officials moving between the Olympic Village and event venues. This has been a part of the security plan since its inception. Of the 1,058 military drivers provided to support the Olympics, 419 will remain in Atlanta after the Olympics to provide support to the Paralympic athletes. The Justice Department and the FBI subsequently determined that this function is a valid and essential part of the comprehensive security plan. This was the recommendation of our top law enforcement officials as to what was needed for security. While some may want to second-guess or Monday morning quarterback this decision, I certainly am not one of those. Mr. President, I ask unanimous consent that a letter from the Assistant Attorney General of the United States concerning the use of military drivers at the Olympics be printed in the RECORD.

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

OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, DC, March 27, 1996.

Hon. SAM NUNN,
U.S. Senate, Senate Dirksen Office Building, Washington, DC.

DEAR SENATOR NUNN: The Department of Justice (DOJ) is pleased to respond to your inquiry concerning the Department of Defense (DOD) reprogramming as it relates to security issues for the Olympic Games in Atlanta. Security for the Olympics will be provided by a combination of federal, state and local law enforcement, private guards, volunteers, and DOD personnel. It is the opinion of this Department that the DOD component is critical to the safety of the Games. We have reviewed the reprogramming submission and concur in DOD's assessment that the requested functions all are essential. These include venue and route security, EOD support, vehicle and package sanitization, athlete bus drivers, and administrative support for the DOD personnel. It is imperative that each of these functions, especially military drivers for athlete buses, be included in the reprogramming as they have been included in DOD support requests from the outset and have been approved through various stages of review.

This reprogramming will play a vital role in providing a secure environment for the Olympics and ensuring the public safety of the visitors to and residents of the Atlanta area.

Of course, DOJ staff are available to provide more information to members of Congress on the Department's position on this issue should they so desire.

Sincerely,

JAMIE S. GORELICK.

Mr. NUNN. I find it ironic that these recent press accounts would make light of this security mission. We need look no further than the bombings in Egypt, Israel and the recent one in Saudi Arabia as well as other nations to realize that buses and other transportation hubs are frequent targets of terrorists. It would be unthinkable for security personnel to ignore this prospect in Atlanta. The use of military personnel in driving the buses has many advantages. These include the fact that the danger of infiltration of the driver pool is virtually eliminated in comparison to the danger of using volunteer or commercial drivers. In addition, military personnel are both disciplined and reliable—all personnel are specially trained in varying degrees for performance in combat or other difficult circumstances.

Once again, prudent planning and precaution in this security arena may make the difference between life and death, and here I, for one, will defer to the experts in security who felt this was an essential security need.

Misleading report No. 4: DOD personnel will be assigned to wash the Olympic buses. Fact: DOD personnel will not be washing buses. In fact, ACOG has established and paid for a vehicle wash and transportation staging facility located at Fort Gillem in Atlanta. ACOG employees and Olympic volunteers will operate the facility to wash the Olympic buses. At the conclusion of the Olympic and Paralympic games, this facility and improvements, valued at $108,000, will be donated to the U.S. Army—providing a continuous benefit to activities and personnel at Fort Gillem.

Misleading report No. 5, and this one has popped up over and over again. It almost seems to be one that cannot be put to rest. The State of Georgia has charged DOD over $100,000 for military personnel to obtain State-issued commercial drivers licenses. Fact: The State of Georgia has not charged DOD anything for the testing and licensing of the military drivers. The military determined that for its own requirements—liability, interstate travel, etc.—it would be prudent to obtain commercial licenses for their personnel. General Tilelli of U.S. Army Forces Command [FORSCOM] stated for the record before the Armed Services Committee on July 11, 1996, ''the Georgia Department of Safety is providing testing and licenses for military drivers stationed in Georgia and supporting the Olympics at no cost to DOD.'' GAO confirmed this information in a June 14 report which stated that the 358 DOD drivers from bases in Georgia will obtain Georgia-issued commercial drivers licenses at no cost to DOD as agreed to in a Memorandum of Agreement of May 14, 1996 between the Department of the Army and the Georgia Department of Public Safety.

Earlier disinformation contending that Georgia was charging for commercial licenses may have given the impression that the State of Georgia is nickel and diming the Federal Government to death over the Olympics. In fact, the State is leaning over backward to accommodate the military, as well they should. I also would like to point out that the State of Georgia is spending more than $72 million of its own funds on Olympic security, including the salaries of law officers who will

be assigned to full-time Olympic security duties. Not counting state prison guards, some 73 percent of all State of Georgia employees who have law enforcement credentials will be assigned to the Olympics. This is not just Atlanta, but the whole State. So almost 75 percent of all credentialed law enforcement officials will be used by Georgia in the Olympics.

Misleading report No. 6: DOD personnel will be watering the Olympic field hockey fields. That is the charge. Fact: DOD personnel will not be watering Olympic playing fields. Media accounts have led the public to believe that DOD personnel engaged in this activity, conjuring an image of teams of soldiers acting as laborers with garden hoses. In fact, one television news reader asked, ''doesn't the military know that water won't make artificial turf grow?'' This claim is simply not true. This watering equipment was requested for use during the games because local water department officials and the Atlanta fire chief feared that water pressure in their municipal water system would fall to dangerous levels under the known demand to dispense 4,500 gallons of water over a field in a 7 minute period twice during each competition. DOD will provide four 50,000 gallon water bladders, two 20,000 gallon water bladders, and six water pumps which will be used to water three Olympic field hockey fields. As GAO noted in its June 14 letter to Senator MCCAIN that military personnel will operate the bladders and ''ACOG personnel will operate the above ground watering systems distributing water on the fields . . . in accordance with Field Hockey International Federation rules.'' The military uses this equipment to store and distribute water to its personnel in extreme environments, and similar equipment was used in Operations Desert Storm and Desert Shield. As a matter of fact, similar equipment was used when we had the huge floods in Georgia and we had whole cities that could not be supplied with water, where people literally had no water to drink. DOD came in that emergency and helped, as they have with other floods around the country. A similar DOD bladder system was tested for the Olympics in 1995 at a cost of $11,884 for setting up and operating the system.

The important thing here, as with other nonsecurity activities, expenses to the military are reimbursed. ACOG reimbursed the costs in 1995 and will reimburse all associated costs for the water system when it is used during the games. Any diligent reporter could have ascertained these facts before printing the misleading information.

Misleading report No. 7: The Navy has contributed $39,750 worth of barges to support the Olympic yachting competion. Fact: The Navy has provided three barges for use at Olympic yachting competitions outside of Savannah, but not at taxpayer expense. ACOG reimbursed the DOD $39,750 in 1995 for the costs associated with the use of these barges. Again, a fact that could have been ascertained before the misleading reports were printed.

Also ignored in the media reports was the fact that the yachting competition will take place in waters surrounding environmentally sensitive barrier islands. In total, 25 barges—3 from the Navy—will be used as spectator platforms in an effort to protect the sensitive coastal areas from irreparable damage. I am advised that the three Navy barges are over 45 years old, were in storage until they were brought up to a usable condition—at ACOG's expense—and were moved to Savannah by the Army's 7th Transportation Group at Fort Eustis, VA. The DOD Office of Special Events determined that movement of the barges by the Army was a non reimbursable expense. All other costs associated with the barges were deemed reimbursable by the Office of Special Events and were reimbursed by ACOG.

Misleading report No. 8: DOD purchased ice chests for the Atlanta Police Department. Fact: DOD is not purchasing new ice chests for the police as the public has been led to believe. DOD will provide 35 chests from current DOD stock inventory on a use and return basis. Once again, General Tilelli's responses to questions at the June 11 Committee hearing confirmed that DOD will loan the stock coolers to the police. This is the stock of material that is retained by the Office of Special Events for just such use.

Misleading report No. 9: DOD has provided nonsecurity support for the Atlanta Olympic games, but it has not been reimbursed. Fact: For the non security items that have been provided to date, ACOG has reimbursed DOD in full and will reimburse when any future nonsecurity support is provided. To date, ACOG and associated Olympic organizing committees have reimbursed DOD almost $600,000. Future reimbursements are expected to exceed $100,000.

Misleading report No. 10: DOD constructed a new dining facility for athletes use during the Olympic games. Fact: DOD provided a relocatable facility at the Paralympic Athletes Village in support of the Paralympic games. After its use at the games, this relocatable facility will be transported to Blount Island, FL, to support maintenance activities for active duty Marines stationed at this facility. Personally, I am proud that our military is able to assist the Paralympics in this fashion.

If anyone objects to this, let it be criticized in the effect of it being the Paralympics, not the Olympics. I believe our soldiers take great pride in participating in a project that assists athletes of such astounding, astounding great courage. Members of our military sadly are no strangers to the impact of injury or illness that some define as ''incapacitating.'' But the Paralympic athletes have proved by their own performance and their tremendous courage that the definition of ''incapacitated'' needs reexamination by our society.

Mr. President, I imagine there are other inaccurate accounts that have been publicly disseminated but have not come to my attention. I do not pretend that I am answering everything that has been in the media. I have not read it all. Unfortunately, it seems that many members of the media in this area have not taken the time to check the facts. I simply urge, when these other reports or charges come up, that someone check with the Department of Defense, check with the ACOG committee before they write these kinds of articles. Hopefully, in the weeks ahead, the critics will check some of the cynicism at the door and focus on the many good and positive stories associated with the aspirations and preparations involved with the Olympics and the Paralympics, a very special part of our modern history.

Mr. President, I have previously asked that the attachment from the deputy attorney general that I alluded to be printed in the RECORD.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for up to maybe 10 minutes.

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

ROHYPNOL, THE DATE RAPE DRUG

Mr. COVERDELL. Mr. President, as chairman of the Western Hemisphere subcommittee of the Foreign Relations Committee, I have recently come upon a very serious crisis beginning to develop in our country. As you know, we have been exceedingly interested in the drug epidemic for which this country is currently exposed, with drug use among our young teenagers virtually doubling in the last 36 months.

But in the course of the inquiry and the hearings, we have come across a new drug called Rohypnol. This drug is now being characterized in the media as a date rape drug. I will share with the Senate some of the horrible and tragic effects of this new drug that has found its way increasingly into our country, particularly in our southern States, Florida, in Texas, but throughout the South.

I quote, ''It is an ideal drug for predators to give women for the purpose of sexual assault.'' This is a quote from a former Los Angeles police officer who said, ''The victim is defenseless, and she doesn't have a memory of it when she comes to.''

''We've never come up with a pill that has these specific characteristics,'' Bob Nichols, Broward County, FL, prosecutor said. ''I know of no other pill that erases your memory and takes effect in 10 minutes.''

Michael Scarce, director of the Rape Education and Prevention Program at Ohio State University, recently received a call from a rape crisis center in another State and recounted it to a Columbus, OH, newspaper. ''An employee of the center informed me that they had had a long conversation with an OSU student who was looking for the drug over the Internet to use it for sexual purposes.''

Mr. President, in a Washington, DC suburb, two men, ages 18 and 19, were charged with rape and contributing to the delinquency of a minor after giving Rohypnol to two 15-year-old girls. The men slipped Rohypnol into the unsuspecting girls' sodas.

One Broward County, FL, man who pleaded guilty to Rohypnol rape in a 1993 case told authorities that he used this drug to rape as many as 20 women.

A 17-year-old Coral Springs girl was raped on January 7 while she was under the influence of Rohypnol, lost 10 hours between having dinner with friends and waking up in a strange hotel bed.

An incident involving a 15-year-old from Cooper City, FL, that happened in June at a sweet-16 party at the Merrimac Hotel in Ft. Lauderdale. Police have charged two brothers and another gentleman with repeated rape in this case.

The list of this type of incident goes on and on, and with increasing frequency across our country. An unsuspecting victim has somebody offer them a drink or a soda, slips one of these pills into the drink, and the person begins immediately, within 15 minutes, to lose control of their senses. Some are unable to walk, so the helping partner is helping this person, that seems to have too much to drink, to the car, takes the keys, looks at the license, goes to the person's apartment or home, obviously enters, and rape occurs.

The problem is that the victim is unable to defend themselves, unable to even maintain a conscious memory of what transpired, and is unable to recall what took place. When you read these stories, one after the other, it raises a sense of alarm in any American that would hear of this situation.

The typical abuser is age 15 to 22, white, and uses other substances such as marijuana and alcohol. The drug is a common fixture at raves, all-night dance parties frequented by the under-21 set.

The drug is widely used in Texas, Florida, Louisiana, Arizona, and Oklahoma. DEA officials also predict the use of the drug will spread and has already been found as far north as Maryland and as far west as California.

The majority of this drug is coming from production in Mexico and Colombia and being smuggled into the country. The problem with it is that it is legally manufactured in other countries. So it is just poised to become yet another lethal target for coming into the United States and disrupting the lives of thousands upon thousands of Americans. And in a most tragic form because it is now being used as a lethal weapon. It is not just a matter of choice, a bad choice to use drugs, this is an innocent victim, this is a victim not necessarily involved in drugs, who is being victimized by a predator.

As a result of these findings, Mr. President, we will hold a hearing on July 16 in the Western Hemisphere Subcommittee to further explore the vast and new growth of this violent drug that is being brought into the United States.

Mr. President, later this afternoon I will introduce legislation that creates a new Federal cause of action to combat rapists and other felons who use Rohypnol or other illegal imported controlled substances as a weapon to exploit innocent victims.

Under the bill, a criminal who administers Rohypnol against the will of another person in order to commit rape or other felonies would face stiff new prison sentences and fines. The measure will take a tough stand against this new threat which is growing as this drug is smuggled into our country from Mexico, Colombia and other Nations in our hemisphere.

It will send a clear message to rapists and other predators that attempting to use this new drug as a weapon against innocent victims will not be tolerated in the United States. This new crime is necessary due to the unprecedented danger this new criminal tool poses to unsuspecting victims—Americans.

We desperately need to deter this insidiously effective technique which both disables victims and wipes out their memories, making it almost impossible to mount evidence against these criminals.

The bill is also needed so that as this drug is smuggled across our borders and spreads across new State lines, prosecutors in all parts of the Nation are given the tools to deter this scourge.

The Federal prosecution of this offense would require consultation with State and local authorities having jurisdiction over the felonies.

Mr. President, in conclusion, I say that the review of the cases involved with this Rohypnol drug conjure up the worst kind of tragedy that could befall a next door neighbor, a member of your family, a community or business. It is an ugly, ugly picture. When we look at the data of the increased usage and the potential for violence that this drug represents, I am hopeful this Congress will move swiftly and quickly to get our arms around any effort, any potential to restrain the use of this drug in our country and to protect our citizens.

I think, also, Mr. President, in the effort, we are also in the business of educating unsuspected youth in our country of the vast danger. One of the other problems with this drug is, because of its manufacturer and packaging, it is thought to be semi-OK. It is not. It is deadly and painful.

I hope others will join me in attempts to corral this horrible scourge being put upon the citizens of our country. I yield the floor.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with consideration of the bill.

AMENDMENT NO. 4350, WITHDRAWN

Mr. WARNER. Mr. President, last night I was joined by the distinguished Senator from Georgia, and during wrap-up I inadvertently sent to the desk amendment No. 4350. I wish to correct that and withdraw the amendment.

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

The amendment (No. 4350) was withdrawn.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT REQUEST

Mr. SMITH. Mr. President, I ask unanimous consent that notwithstanding rule XXII, at the hour of 4 o'clock p.m. today the Senate lay aside any pending amendments to the DOD authorization bill and Senator PRYOR be recognized to offer his amendment regarding GATT, and immediately following the reporting by the clerk, Senator HATCH be recognized to offer a relevant, perfecting amendment limited to 30 minutes, equally divided in the usual form, with an additional 10 minutes under the control of Senator SPECTER, and following the disposition of the second-degree amendment, if agreed to, Senator PRYOR be recognized to offer a further second-degree amendment, and there be 30 minutes' time for debate prior to a motion to table, to be equally divided in the usual form, with an additional 10 minutes under the control of Senator SPECTER, and following the conclusion or yielding back of time, Senator LOTT be recognized to move to table the second-degree Pryor amendment, and no other amendments or motions be in order prior to the motion to table.

The PRESIDING OFFICER. Is there objection?

Mr. PRYOR. Mr. President, reserving the right to object—I do not think I am going to object—I think we are just about to achieve this agreement.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield for that purpose?

Mr. SMITH. The Senator from New Hampshire does have a further item on the unanimous-consent request that I would like to finish, but I think it is contingent upon whether or not there

is objection to the first unanimous-consent request. Whatever the Chair feels is appropriate.

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

UNANIMOUS-CONSENT AGREEMENT

Mr. NUNN. Mr. President, I ask unanimous consent that the Senator from New York be recognized for 3 minutes for a morning business statement, and that the Senator from Kansas, Mrs. KASSEBAUM, then be recognized for 5 minutes for a morning business statement, and that Senator SMITH be able to interrupt when he gets a unanimous consent agreement ready, and immediately following the statement of the Senator from Kansas, the quorum call automatically recur.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York is recognized.

LEGISLATION ON TERRORISM

Mr. D'AMATO. Mr. President, we have just witnessed one of the worst terrorist incidents against the United States since the Beirut bombing in 1983. To date, we have lost 19 young Americans in this cowardly attack that has taken place in Saudi Arabia. One of those killed was a constituent from Long Island, Capt. Christopher J. Adams, of Massapequa Park.

With this as a background, Mr. President, I implore my colleagues to move as expeditiously as we can in seeing to it that the Iranian-Libyan sanctions bill, which passed the Senate unanimously and passed the House of Representatives, 415–0, last week—a similar bill—be taken up, that we appoint conferees, and that we act on it now, because it sends a clear message to Iran and Libya. It provides our President with the tools necessary to see to it that sanctions are imposed.

We are not saying who, nor do we know who has sponsored this particular act of terrorism. But both Iran and Libya have been the chief sponsors of state-sponsored terrorism—war—against the United States, and that is the most cowardly kind of war. I think it is important for us to move now and not to hold this legislation up, because our version might be slightly different from that in the House of Representatives. We can work out those differences. I may not get all that I want.

I am for tough sanctions. I am actually for sanctions that would say, if you are going to deal with Iran and Libya and you are going to buy their oil, you are going to invest with them, then we are not going to do business with you. Other colleagues may have a difference of opinion, but we can work that out.

Let us pass this bill. Let us send a bill now that says we are going to take you on, and that we are going to give our President the ability to deal with these terrorist nations and invoke strong action. Not all of our actions should be military, but we have the ability to take on the Iranians and Libyans and to punish them for their continuous support of terrorist activities.

I hope we can pass this bill today. There is no reason for us not to do it. It passed in December unanimously here. I hope that we will act on this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

THE WORKFORCE DEVELOPMENT ACT DOESN'T DESERVE TO DIE

Mrs. KASSEBAUM. Mr. President, when I assumed the chairmanship of the Senate Labor and Human Resources Committee last year, one of my top priorities was to bring to fruition a comprehensive reform of our many job training programs.

My colleague in that effort on the other side of the aisle is the Senator from Nebraska, Senator KERREY, who has been a stalwart supporter of this effort. We both felt strongly there was much that could be done that would significantly improve and enhance Federal job training programs.

Over the past several years, the General Accounting Office, the inspector general, the Department of Labor, and others, have churned out report after report documenting both the proliferation of Federal job training efforts and the inability of these programs to show results.

The roughly $5 billion which the Federal Government invests in these programs is small potatoes in our annual trillion-dollar-plus budget. The work of these programs are not front-page news, and the issues they raise are probably regarded as boring and tedious.

Mr. President, nevertheless, the Workforce Development Act, which was approved by a vote of 95 to 2, offered an ideal opportunity to find ways to make Government work better.

The legislation was designed to achieve four basic objectives:

One, to consolidate overlapping and narrowly focused Federal categorical programs to allow for the development of statewide systems to address the needs of all individuals.

Two, to provide the States with sufficient flexibility to focus trading resources on their areas of greatest need, while preserving the core activities supported by the Federal Government in the past.

Three, to develop true partnerships among the educators who provide the academic foundation, the trainers who provide the technical expertise, and the business people who create the jobs for which individuals are being trained.

Four, to shift the focus of accountability from one which looks only at the front end—''Are Federal regulations being followed to the letter?''—to one which looks at the results—''Are training program participants getting jobs?''

Throughout the process in committee, on the floor, and in conference, various accommodations were made in the inevitable process of resolving competing concerns. Some programs which I had believed were appropriate for consolidation, for example, were dropped out of the bill. Many of the changes made to the bill I originally introduced were not things which I would have preferred.

Nevertheless, these revisions were made at the margin. As we near the conclusion of the conference, which has been ongoing since October, the core objectives of the bill remain intact and remain worthy of the support they received in overwhelming votes in both the House and Senate.

Specifically, the bill consolidates 80 separate programs into a work force and career development block grant to the States. Consolidating these programs will permit the States to develop cohesive systems, with employment and training activities being delivered on a one-stop basis.

Second, the bill assures a foundation of support for the four basic activity that have traditionally received Federal support: employment and training; vocational education; adult education; and services for at-risk youth. At the same time, the bill permits each State to supplement the activities which it needs most, by reserving 25 percent of the funds in a flex account to be distributed among the four core activities in the way chosen by the State.

Third, it creates real incentives for cooperation and coordination among educators, trainers, and the business community by providing a collaborative process both for the development of a single State plan and for decisionmaking regarding the allocation of flex funds.

Finally, the bill gets rid of thousands of pages of statutory and regulatory prescriptions and allows State and local officials to concentrate on results. States must establish benchmarks—a process which entails setting specific goals their programs are supposed to achieve. Incentives and sanctions will be based on performance relative to the benchmarks.

Unfortunately, the opportunity to achieve these goals is on the verge of slipping from our grasp. If this bill dies, it will not do so because it is bad policy. Rather, it will have fallen victim to two disparate but powerful political agendas.

On the one hand, many Democrats see the demise of this bill as an opportunity not only to preserve the status quo and the individual interests it protects, but also to use it as fodder in the sound bites leading to the November elections.

Despite recent allegations to the contrary, this legislation has not been an

all-Republican effort. Both the House and Senate have made every effort to obtain bipartisan support, and large bipartisan majorities in both bodies approved the legislation. No one could be a stronger defender of the need of this type of innovative approach to Government than Senator KERREY of Nebraska.

I would like to suggest, however, that the conference proposal reflects a number of concessions that were made in an attempt to address concerns raised by the administration—and I believe that we have done so, not all of them exactly as the administration would have wished but now the administration has withdrawn support—including the establishment of mandatory career grant programs for dislocated workers in every State; a 50-percent reduction in the size of the flex account; the separation of Wagner-Peyser funds from the block grant; the abandonment of the Federal partnership in favor of enhancing the authorities of the Secretary of Labor and the Secretary of Education; and the establishment of mandatory local boards.

We are now in the position of being told that not only are these concessions which were made insufficient, but also that provisions which were never a part of either bill, such as the $1.3 billion earmark for dislocated workers, are the price of the administration's support.

At the opposite end of the spectrum are those who have seized the bill as a platform to debate issues which have nothing to do with the purpose or provisions of this legislation. For example, one of the major specific criticisms leveled by family groups is that the legislation does not abolish the Department of Education. Our efforts to assure that individuals get the information and training they need to make their own choices and to pursue their own dreams have been turned on their head and have been mischaracterized as a Federal plot to dictate career and education choices.

Each of these groups has set a list of their complaints about the bill.

I ask unanimous consent that an analysis of these complaints, along with a brief summary of the conference proposal, appear in the RECORD following my remarks.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

(See exhibit 1.)

Mrs. KASSEBAUM. Mr. President, to conclude, the alliance of those who want continued preeminence of Federal bureaucracies with those who will settle for nothing less than their total dismantlement threaten to turn a solid piece of legislation into nothing more than a fundraising tool.

Good Government is pretty boring stuff compared to the adrenalin charge that can be produced by allegations that Republicans are insensitive to the needs of American workers, or that the Federal Government is engaged in a conspiracy to undermine the rights and freedoms of individuals. Both sides would settle for the status quo.

Mr. President, I think it is very sad to see us at a point when we should be able to survive these potent political forces and being willing to take some small steps forward to address the very thing that most Americans would like to see, and that is, the control of the Federal Government dictating every aspect of initiatives that could bear real fruition at the State and local level.

I would like to yield a minute or whatever time I have left, if I may, to Senator KERREY of Nebraska to make a brief comment.

EXHIBIT 1

ANALYSIS OF CONCERNS EXPRESSED BY PRESIDENT CLINTON IN LETTER TO CONFEREES

Authorization Level. The President believes the authorization level for the bill should be set at $5.7 billion, which represents his fiscal year 1997 budget request for the programs included in the block grant.

The conference proposal is to authorize ''such sums,'' which implies no limit on future appropriations and which is a practice used many times in the past in launching new initiatives.

Disclocated Workers. Administration officials have requested that a minimum of $1.3 billion be earmarked for dislocated workers.

The conference proposal does not include such an earmark, as such a proposal was never part of either the House or the Senate bill. The purpose of this legislation is to get away from the ''categorization'' of individuals to allow the development of a system which works for all in need of its services. States with large dislocated worker populations can allocate flex account funds to serve them, and dislocated workers are specifically identified as a group for which benchmarks must be developed.

Vouchers. The President believes that all services (with a few limited exceptions) to dislocated workers should be delivered through vouchers or ''skill grants.''

The conference agreement requires every state to establish a pilot program to serve dislocated workers with ''career grants.'' The pilot must be of sufficient size, scope, and quality to demonstrate the effectiveness of career grants. States are specifically authorized to deliver all training services through career grants, should they choose to do so.

The bill approved by the Senate did not require that vouchers be used under any circumstances—due to concerns that mandating vouchers would impose substantial administrative burdens on states and reduce state flexibility in determining the most effective means of service delivery. In addition, past experience with federal student loan programs has underscored both the importance and the difficulty of putting into place appropriate ''gate-keeping'' procedures to assure that participants are not ripped off by training providers.

Given the seriousness of these concerns, I believe we have met the President more than half way. If vouchers work as well as he believes, they will undoubtedly be expanded. If they present the problems I anticipate, the pilot projects can offer guidance regarding whether or not they can be corrected.

School-to-Work. The Administration wants the School-to-Work Opportunities Act to be authorized and funded as a separate program outside the block grant.

The conference agreement would repeal this Act on July 1, 1998, the same date that approximately 80 other federal programs will be repealed. After that time, states would be able to use block grant funds to continue their school-to-work programs.

Any state wishing to participate in the federal school-to-work program will have the opportunity to sign up prior to this repeal date. By all accounts, the program is popular with governors and other officials—who would presumably exercise their discretion to continue it with block grant funds. It makes no sense, however, to maintain a separate school-to-work program operating on a parallel track with the block grant.

Accountability. The Administration indicates that the bill lacks ''accountability.''

Accountability for results—which is virtually non-existent in current programs—is a major focus of this reform legislation. It appears that the Administration's view of ''accountability'' is maintaining maximum federal control over job training programs.

The conference agreement addresses strong concerns voiced earlier by the Administration about provisions of the Senate bill which combined offices within the Department of Labor and the Department of Education into a Federal Partnership to administer the block grant. I had felt it was important to have at the federal level the same coordination and cooperation we were seeking at the state level, but I abandoned that approach in the face of the Administration's objections. These new Administration concerns seem to undercut the objective of the legislation to enhance state responsibility and flexibility. It makes little sense to me to develop a bill which repeals current restrictions, only to establish a situation where federal Cabinet Secretaries are in the position of re-creating them through regulation

Local Elected Officials. The Administration would like the local workforce development boards to be structured more like the existing Private Industry Councils [PICS]—particularly with respect to the role of local elected officials.

The conference proposal gives substantial responsibility to local elected officials, but it admittedly and intentionally does not recreate PICs. Local elected officials are part of the collaborative process at the state level, making a variety of key decisions regarding the statewide system. In addition, at the local level, they appoint members of the local board, assist in developing the local plan, and provide continuous input to the board in carrying out its functions.

Again, earlier Administration concerns were addressed when Senate conferees agreed to require the establishment of local boards—something which was not required in our original bill.

Control of Education. The Administration believes that education programs should remain under the jurisdiction of the state and local education entities which currently oversee them.

This has always been the objective of the Senate bill and is included in the conference proposal.

ANALYSIS OF CONCERNS EXPRESSED IN ''CAPITOL HILL EAGLE ALERT'' DATED MAY 3, 1996

Schools as ''Workforce Development'' Centers. The alert indicates that schools will ''train'' students, not ''educate'' them.

A solid academic foundation is critical for every student. Nothing in the Workforce Development Act changes the fundamental mission of our schools to ''educate'' students.

Workforce Development Boards. The alert indicates that workforce development boards will decide what jobs are needed and what youth can be trained for them.

That is an inaccurate description of the function of workforce development boards.

The primary function of workforce development boards is to bring together business and community leaders who can accurately identify the economic development and workforce training needs in a local community, in order to maximize the number of jobs available for individuals seeking work in the community. Such information will be useful in designing training programs that meet the needs of the unemployed and businesses seeking qualified employees. Local workforce development boards do not replace, nor take authority away from, local school boards and parent organizations whose focus is on secondary school students and programs.

Labor Market Information System. The alert contends that a Labor Market Information System ''would compile data about every child—academic, medical, personal, family, attitudinal, and behavioral—into a computer data base, then give access to all future employers and the government.''

There is no truth to this statement. Labor market information serves a critical purpose in providing accurate information about national unemployment rates and workforce trends (such as whether more jobs are available in manufacturing, retail, or service industries.) At the state and local level, labor market information includes listings of job openings supplied voluntarily by employers, which individuals seeking employment can review through public employment service offices. Nothing in the Workforce Development Act authorizes the collection of personal information on individuals (including youth) for use by employers or the government.

Department of Labor Authority over Education. The alert contends that the legislation gives Labor Secretary Reich control over local schools.

Elementary and secondary education is the responsibility of state and local officials and remains so under this bill. Neither Secretary Reich nor any other federal official is assigned ''control'' over local schools.

State Legislatures and School Boards. The alert contends that responsibility for local schools is taken from State legislatures and local school boards and transferred to the Governor and local workforce development boards.

This statement is not accurate. The conference proposal makes no changes in education governance at the state and local levels. From the beginning, the Senate bill has assured that responsibility for schools stayed in the hands of those currently designated under State law.

Department of Education. The alert criticizes the bill because it does not abolish the Department of Education.

That is accurate; it doesn't. Bills written with the express purpose of abolishing the Department have been introduced in Congress. The purpose of the Workforce Development Act is to reform federal job training programs and to enhance the responsibility and flexibility of state and local officials.

SUMMARY OF WORKFORCE AND CAREER DEVELOPMENT ACT

The Workforce and Career Development Act consolidates approximately 80 job training and training-related programs into a single grant to the States. The purposes of the Act are to:

Provide greater flexibility to the States in designing workforce systems which fit their specific needs;

Eliminate duplication of effort and reduce the regulatory burden created by numerous categorical federal programs;

Encourage greater coordination of job training and training-related education programs;

Improve the effectiveness of federal workforce development efforts by focusing on program results.

TITLE I: STATEWIDE WORKFORCE AND CAREER DEVELOPMENT SYSTEMS

State Systems.—Statewide workforce development systems are established through a single allotment of funds to each State. Minimum percentages of funds will be allocated to specific activities, as follows: 34 percent—Employment and Training; 24 percent—Vocational Education; 16 percent—At-Risk Youth; 6 percent—Adult Education and Literacy.

The remaining 20 percent of the funds may be distributed among any of these four activities, as the State may decide. Decisions regarding the allocation of funds from this ''flex account'' is made through a collaborative process involving, among others, the Governor, the eligible agencies for vocational and adult education, local elected officials, and the private sector. The purpose of the flex account is to permit each State to allocate resources to the activities most needed in that State.

State Plans.—An overall strategic plan for the State is also developed through the collaborative process. The plan describes:

State goals and benchmarks for the system, including how the State will use its funds to meet those goals and benchmarks;

How the State will establish systems for one-stop career centers to effectively and efficiently deliver training services to all individuals; and

How the vocational, adult education and literacy, and at-risk youth needs of the State will be met.

State Governance.—The Governor administers and exercises authority over the employment and training and at-risk youth activities in the State. The agencies eligible for vocational education and adult education administer and exercise authority over vocational education activities and adult education activities, respectively, in accordance with State law.

Local Workforce Development Bonds.—Each State must establish local workforce development boards which, at a minimum, include a majority of business representatives, and representatives of education and workers. The boards: (1) develop a local plan outlining the workforce development activities to be carried out in the local area: (2) designate or certify one-stop career center providers (consistent with criteria in the state plan); (3) conduct oversight of local programs; and (4) award competitive grants to eligible at-risk youth providers. The Governor certifies the boards annually, based in part on how well the local programs it oversees are meeting expected levels of performance.

Accountability.—Each State must, at a minimum, establish specific benchmarks designed to meet the goals of providing meaningful employment and improving academic, occupational, and literacy skills. These benchmarks will be used to measure progress toward goals established for populations including, at a minimum: (1) low-income individuals; (2) disclosed workers; (3) at-risk youth; (4) individuals with disabilities; (5) veterans; and (6) individuals with limited literacy skills.

The Secretaries of Labor and Education may award incentive grants or impose sanctions, depending upon the success or failure of the State toward meeting such goals and benchmarks.

Transition.—States may obtain waivers in order to begin establishing their statewide systems prior to the implementation of the block grant on July 1, 1998. In addition, States may request technical assistance from the Secretaries in developing their state plans.

Federal Administration.—The Secretary of Labor and the Secretary of Education will enter into an interagency agreement on how the new system will be administered at the Federal level.

National Programs.—National activities include: national assessments of statewide systems; the continuation of the Bureau of Labor Statistics labor market information programs; the establishment of a national center for research in education and workforce development; national emergency grants for dislocated workers; and programs for Native Americans, migrant and seasonal farm workers, and the outlying areas.

Authorization Levels.—''Such sums'' for fiscal yeas 1998 through 2002.

TITLE II: WORKFORCE DEVELOPMENT-RELATED ACTIVITIES

Employment Service.—The Wagner-Peyser Act is amended to provide that the activities carried out by the Employment Service will be linked to the one-stop career center system established in each State;

Vocational Rehabilitation.—Title 1 of the Rehabilitation Act of 1973 is amended to link vocational rehabilitation services with the statewide systems including, to the extent feasible, the State goals and benchmarks.

Job Corps.—Job Corps remains a separate, federal residential program for at-risk youth. A National Job Corps Review Panel will conduct a review of the Job Corps program and make recommendations on improvements, including the closure of 5 Job Corps centers by September 30, 1997, and an additional 5 centers by September 30, 2000.

TITLE III: MUSEUMS AND LIBRARIES

The bill provides for the establishment of an Institute of Museums and Library Services, consolidating the functions of the Institute of Museum Services, the Library Services and Construction Act, Title II of the Higher Education Act, and Part F of the Technology for Education Act.

TITLE IV: HIGHER EDUCATION

Connie Lee.—The bill provides for the privatization of the College Construction Loan Insurance Association (Connie Lee).

Sallie Mae.—The bill provides for the privatization of the Student Loan Marketing Association (Sallie Mae).

Higher Education Repeals.—The bill repeals approximately 45 programs authorized under the Higher Education Act which did not receive appropriations in fiscal year 1996.

TITLE V: GENERAL PROVISIONS

Repeals.

The following programs will sunset immediately upon enactment:

State Legalization Impact Assistance Grant (SLIAG)

Displaced Homemakers Self-Sufficiency Assistance Act

Title II of Public Law 95–250

Appalachian Vocational and Other Education Facilities & Operations

Job Training for the Homeless Demonstration Project

The following programs will sunset on July 1, 1998, the date by which each State must implement its statewide system:

Job Training Partnership Act

Carl Perkins Vocational and Applied Technology Education Act

Adult Education Act

School Dropout Assistance Act

Adult Education for the Homeless

Library Services and Construction Act

School-to-Work Opportunities Act

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I thank the Senator from Kansas [Mrs. KASSEBAUM]. As a consequence of making the

judgment that this bill is too important to let die because perhaps 10, 20, or 30 million American families can benefit from the Workforce Development Act, and will benefit.

There are not very many pieces of legislation quite like this one where I am 100 percent certain that 2, 3, or 4 years from now someone will come up on the street and say, ''My family has $6,000 more income as a consequence of this piece of legislation. It has benefited me in that fashion.''

I am quite convinced this is one of the most important pieces of legislation that this Congress has taken up. I am very, very grateful to the Senator from Kansas for saying, get all parties back together, Republicans and Democrats. There is not a lot of big money trying to push this thing one way or the other. That sometimes makes things more difficult. But on behalf of 20 or 30 million American families out there who could be tremendously benefited if we change this law in this fashion, I hope the advice of the distinguished Senator from Kansas is taken and that we are able to produce a piece of legislation that will be supported and get this law changed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

UNANIMOUS-CONSENT AGREEMENT

Mr. SMITH. Mr. President, I ask unanimous consent that notwithstanding rule XXII, at the hour of 4 p.m. today the Senate lay aside any pending amendments to the DOD authorization bill and Senator PRYOR be recognized to offer his amendment regarding GATT; and immediately following the reporting by the clerk, Senator HATCH be recognized to offer a relevant perfecting amendment limited to 30 minutes equally divided in the usual form, with an additional 10 minutes under the control of Senator SPECTER and an additional 5 minutes under the control of Senator PRYOR; and following the disposition of the second-degree amendment, if agreed to, Senator PRYOR be recognized to offer a further second-degree amendment and there be 30 minutes time for debate prior to a motion to table to be equally divided in the usual form, with an additional 10 minutes under the control of Senator SPECTER and an additional 5 minutes under the control of Senator PRYOR; that following the conclusion or yielding back of time, Senator LOTT be recognized to move to table the second-degree PRYOR amendment, and no other amendments or motions be in order prior to the motion to table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SMITH. Mr. President, I further ask that if the HATCH amendment is not agreed to, it be in order for the majority leader to make a motion to table following 30 minutes of debate to be equally divided in the usual form, with 10 additional minutes under the control of Senator SPECTER and 5 additional minutes under the control of Senator PRYOR, and no further amendments or motions be in order prior to that motion to table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 4218

(Purpose: To eliminate taxpayer subsidies for recreational shooting programs, and to prevent the transfer of federally-owned weapons, ammunition, funds, and other property to a private Corporation for the Promotion of Rifle Practice and Firearms Safety)

Mr. LAUTENBERG. Mr. President, I call up an amendment that is at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey (Mr. LAUTENBERG), for himself, Mr. SIMON, Mrs. FEINSTEIN, Mr. BUMPERS, and Mr. KENNEDY, proposes an amendment numbered 4218.

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

Mr. SMITH. Mr. President, reserving the right to object, I want to hear at least a portion of the amendment read to get some understanding of what the amendment is. I do not choose to continue the objection. At this point, I want to object.

The PRESIDING OFFICER. The clerk will continue reading.

The bill clerk read as follows:

At the end of title X, add the following:

Subtitle G—Civilian Marksmanship

SEC. 1081. SHORT TITLE.

This subtitle may be cited as the ''Self Financing Civilian Marksmanship Program Act of 1996''.

SEC. 1082. PRIVATE SHOOTING COMPETITIONS AND FIREARM SAFETY PROGRAMS.

Nothing in this subtitle prohibits any private person from establishing a privately financed program to support shooting competitions or firearms safety programs.

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

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

The text of the amendment is as follows:

At the end of title X, add the following:

Subtitle G—Civilian Marksmanship

SEC. 1081. SHORT TITLE.

This subtitle may be cited as the ''Self Financing Civilian Marksmanship Program Act of 1996''.

SEC. 1082. PRIVATE SHOOTING COMPETITIONS AND FIREARM SAFETY PROGRAMS.

Nothing in this subtitle prohibits any private person from establishing a privately financed program to support shooting competitions or firearms safety programs.

SEC. 1083. REPEAL OF CHARTER LAW FOR THE CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND SAFETY.

(a) REPEAL OF CHARTER.—The Corporation for the Promotion of Rifle Practice and Firearms Safety Act (title XVI of Public Law 104–106; 110 Stat. 515; 36 U.S.C. 5501 et seq.), except for section 1624 of such Act (110 Stat. 522), is repealed.

(b) RELATED REPEALS.—Section 1624 of such Act (110 Stat. 522) is amended—

(1) in paragraphs (1) and (2) of subsection (a), by striking out ''and 4311'' and inserting in lieu thereof ''4311, 4312, and 4313'';

(2) by striking out subsection (b); and

(3) in subsection (c), by striking out ''on the earlier of—'' and all that follows and inserting in lieu thereof ''on October 1, 1996.''.

Mr. LAUTENBERG. Mr. President, this amendment would prevent the Government from providing a $76 million Federal endowment to American gun clubs.

Senators SIMON, BUMPERS, FEINSTEIN, and KENNEDY are original cosponsors of this amendment. The amendment addresses what I view as a fatal flaw in the new version of the Civilian Marksmanship Program, which was established by the Congress in the fiscal 1996 Department of Defense authorization bill—last year's bill.

Before I explain why this amendment is necessary, I think it is important to understand the history of the old Civilian Marksmanship Program. The CMP was first begun in 1903, soon after the Spanish-American War, and at a time when civilian marksmanship training was believed to be important for military preparedness. Back then, some Federal officials were concerned that recruits often were unable literally to shoot straight. The officials believed that a trained corps of civilians with marksmanship skills would be useful to prepare for future military conflicts.

Mr. President, that may have made sense in 1903, but we are in 1996. The Spanish-American War ended more than 90 years ago, and, not to surprise people, but things have changed. So has the Civilian Marksmanship Program. Over the years, the program has been transferred from the training program for military personnel to a plain old shooting program for gun enthusiasts.

Tax dollars have been used for nothing more than promoting rifle training for civilians through over 1,100 private gun clubs and organizations. Through the program, the Federal Government has joined forces with the National Rifle Association to sponsor annual summertime shooting competitions for civilians. The program has included donations, loans, and the sale of weapons, ammunition, and other shooting supplies. It has purchased bullets for Boy Scouts, taught them how to shoot guns.

Mr. President, the Defense Department concluded long ago that the Army-run Civilian Marksmanship Program does not serve any military purpose. It concluded that there is no ''discernible link'' between the program and our Nation's military readiness.

Even so, until recently, the program was sustained by an annual $2.5 million Federal subsidy.

In the face of growing criticism about the program's dubious benefit to our Nation's military readiness, concerns of links between the program and anti-Government militia groups, and the Army's interest in extricating itself from responsibility for managing the program, Congress drastically changed the program last year.

Keep in mind, this was to accommodate the problems that existed before. Once again, to repeat, there were concerns of links between the anti-Government militia groups and the Army's interest in getting out of the game, so Congress made a change. Under title I of the 1996 Department of Defense Authorization Act, Congress established a so-called ''private, nonprofit'' Corporation for the Promotion of Rifle Practice and Firearms Safety. In fact, the corporation is private and nonprofit in name only. According to the U.S. Department of the Army, when the corporation becomes fully operational in October of this year, October 1996, it will take control of—hear this—176,000 Army rifles worth more than $53 million. It will receive at least $4.4 million in cash. It will be given Federal property, vehicles, and computers worth $8.8 million, and, even more remarkable, the U.S. Government is going to give 146 million rounds of ammunition estimated to be worth $9.7 million, with all of these totaling $76 million, taxpayer money, all free: Here, take it; have a good time.

Imagine, in these days of spartan budgets, inadequate programs, when need is desperate there, we are giving away $76 million of Government assets, and worse is that we are giving them bullets and rifles, the kind of rifle I carried when I was a soldier in World War II. The total tab to the American taxpayer for this gift is over $76 million.

Even more, this private group of citizens will be able to sell the federally purchased rifles without returning any profits to the Federal Government. The nonprofit corporation will reap 100 percent of the benefit of the profit from the Federal weapons and ammunition sales. Not one penny will be returned to the taxpayers of this country. Not a dime will be used to reduce the Federal deficit or to pay for other meritorious Federal programs.

From 1985 to 1995, the Federal Government spent roughly $38 million on this Civilian Marksmanship Program. A healthy $76 million Federal endowment ought to keep the so-called private corporation afloat for the next 20 years even if it never solicits one dime from private corporations.

Mr. President, the old Civilian Marksmanship Program was a bad program, an example of waste in Government. The new version of the program makes even less sense than the old, which at least maintained a measure of Defense Department control over the weapons and ammunition.

In 1994, the General Services Administration reconfirmed the longstanding Government policy when it convened a Federal weapons task force to review the Government's policy for the disposal of firearms. General Services brought together a group, a weapons task force, to try to understand the Government's policy for the disposal of firearms.

Under that policy, the Federal Government does not sell federally owned weapons to the public. Excess weapons are not sold or transferred out of Government channels. Excess weapons, those that we no longer need, are not supposed to be out there being distributed.

The Federal regulations are clear. They say that ''surplus firearms and firearms ammunition shall not be donated'' to the public. That is what the policy says. They say, ''Surplus firearms may be sold only for scrap after total destruction by crushing, cutting, breaking or deforming to be performed in a manner to ensure that the firearms are rendered completely inoperative and to preclude their being made operative.'' That is what this Federal weapons task force recommended to the General Services Administration, and that was the policy.

Simply put, they say the Federal Government has made the decision that it should not be an arms merchant. I could not agree more. There are many of my colleagues who feel similarly. Those are sound regulations. There is no compelling public policy reason to exempt Army guns and ammunition in order to turn control of enough guns and ammunition to start a small war over to the private nonprofit Corporation for the Promotion of Rifle Practice and Firearms Safety.

Given the abundance of weapons readily available through the private sector, guns for which the Federal Government no longer has a use ought to be, as planned, destroyed—put it away, get rid of the requirement to guard it, keep records, et cetera. The federally subsidized corporation ought to be abolished. Our amendment would do just that. It would abolish the so-called private corporation, block the transfer of this $76 million endowment and end the federally run Civilian Marksmanship Program once and for all. Importantly, it would bring the Army into conformity with the Government-wide policy of not transferring Federal guns and ammunition outside Government channels.

Our amendment only addresses federally owned guns and ammunition. It would not prohibit private gun clubs from existing and it would not prohibit the annual national shooting matches that are held in Camp Perry, OH, from taking place as long as the guns and the ammunition and the staff are funded through the private sector. Camp Perry is a State-owned facility. The State of Ohio can let the national matches go forward if it chooses to do so. The NRA, the National Rifle Association, has been funding these shooting matches for years, and it can continue to do so under our amendment, but it sure should not receive Federal financial backing.

I expect some who oppose our effort will argue that shooting is an Olympic sport and that the program provides important training for future Olympians. Those attempting to make this argument should remember one thing: Ping-Pong is also an Olympic sport, but we do not provide Ping-Pong paddles or Ping-Pong balls or Ping-Pong training by the Federal Government. They should be reminded also the Government does not provide Federal subsidies for our Olympic swimming, tennis, volleyball, or other sports. Likewise, the Federal Government should not be supporting shooting.

Supporters of this $76 million boondoggle will argue that promoting gun safety is a laudable goal. We can debate that question. But I do not think it is the role of the Federal Government to give away $76 million worth of guns and ammunition in the name of gun safety. Frankly, when I look at the numbers, we see 140 million rounds of ammunition are going to be put out there by the Federal Government. We have seen enough of the gun influence in our society. I just think the Federal Government ought not to be a coconspirator. It is not our job to give away guns and ammunition. The private sector should promote gun safety, if it chooses to, for recreational shooters, not the Federal Government. The NRA and others already do this. If they choose to continue, they may.

When the 1996 Defense Department authorization bill was approved, the implications of the provision that established the private, nonprofit corporation were not clear, but now they are quite clear. We have a duty to act and to stop this boondoggle dead in its tracks. The giveaway of $76 million worth of weapons and ammunition is terrible public policy. In fact, it is outrageous. The Government must not work to add to the proliferation of guns in the country. We have enough without adding to the supply with this big freebie.

Once again, I think it adds insult to injury when we think of the critical need that we have for programs in this country, whether it be breast cancer research, whether it be education, whether it be housing, whether it be nutrition, whether it be health care. How can we, in good conscience, say to the American people we are now going to give $76 million to those who like guns and who want the Federal Government to subsidize their activity.

I think it is recognized there are gun clubs. There are people who belong to them. They are OK. But we ought not to add to the confusion about this, nor perhaps the occasional violent eruption that can come from having this excessive supply of guns and ammunition available in the public.

Mr. President our amendment would prevent the Government from providing a $76 million Federal endowment to American gun clubs.

If this amendment is not adopted, a private, nonprofit corporation established by the Congress last year will take control of 176,218 Army rifles worth more than $53 million. It will receive at lest $4.4 million in cash from the Army, and it will be given Federal property, such as vehicles and computers, valued at $8.8 million. Even more remarkable, the corporation will be given control of 146 million rounds of ammunition worth $9.7 million.

I did not make these numbers up. They came directly from the Army.

If this amendment is adopted, it will cost the Army less than $2 million to demilitarize all of the M–1's currently slated to be turned over to the private corporation.

If the amendment is adopted, it will bring the Army in line with Government-wide policy prohibiting the public sale of Federal weapons. According to GSA regulations, reconfirmed by a Federal weapons task force in 1994, ''Surplus firearms may be sold only for scrap after total destruction by crushing, cutting, breaking, or deforming to be performed in a manner to ensure that the firearms are rendered completely inoperative and to preclude their being made operative.'' The regulations say ''surplus firearms, and firearms ammunition shall not be donated'' to the public.

If the amendment is adopted, the national matches will still go forward. They just will have to be privately financed.

If the amendment is adopted, Americans will still be able to take courses in firearms safety. They just will have to be privately financed.

If the amendment is adopted, there will still be a well-trained U.S. Olympic shooting team.

Mr. President, the Department of Defense has opposed the Civilian Marksmanship Program. According to Army Under Secretary Reeder: ''DOD repeatedly has conveyed to Congress that while it will continue to administer the program as directed by Congress, it will also continue to support legislation ending this program.''

This giveaway of $76 million worth of weapons it terrible public policy. In fact it is outrageous. The Government must not add to the proliferation of guns in this country. We have enough without adding to the supply through this giveaway.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I rise in strong support of the amendment of my colleague from New Jersey, and I am pleased to be a cosponsor of this legislation.

The policy of the Federal Government up to this point has been not to sell weapons to the public. Now that policy is going to be reversed. If we were just taking $76 million and sending it down the drain, that would be bad enough. But, frankly, I would vote for sending it down the drain rather than doing what we are doing; 176,218 rifles are going to be handed over by the Federal Government. To whom? I do not know. But if anyone in here believes, of those 176,000 there are not going to be some people who are going to abuse those rifles, you are living in a dream world.

I just had a conversation this morning with my colleague, Senator Carol MOSELEY-BRAUN, who has been trying to get money for school construction. The GAO says we are $15 billion in arrears on elementary and secondary school construction. She has been unable, at this point, to get one penny of Federal Government money for school construction.

We say we do not have money for school construction. But here we have $76 million we are going to give away as a boondoggle to the National Rifle Association and the gun clubs. If we have 176,000 surplus rifles, we ought to destroy them. One of the reasons we have made progress in this country, in terms of murders in this country, is that a few years ago this Congress adopted a change so that you have to go through photos and fingerprints and some other things in order to become a gun dealer. We had a situation where we had more gun dealers than service stations in this country. And three-fourths of the gun dealers were not stores as we know them. They were in the kitchens of homes, they were in the basements, they were in trunks of cars. We had all kinds of illegal activity going on, and the ATF did not have the resources to handle it.

Now, if the Lautenberg amendment is not adopted, do you know who is going to be the No. 1 gun dealer in the United States of America, with no control on where those guns go? The No. 1 gun dealer in the country, if the Lautenberg amendment is not adopted, is Uncle Sam.

How many people are going to be killed because of what we are doing with this sending out to the public 176,000 weapons? I do not know. Illinois is 5 percent of the Nation's population. That means we are probably going to get 8,500 additional weapons. The State of Illinois has a lot of needs. We do not have any need for 8,500 more weapons scattered around the State of Illinois, given out by the National Rifle Association, or sold by them.

I heard my friend from New Jersey use the word ''boondoggle.'' That is exactly what this is. Why, with the Federal Government short of funds, we should have a subsidy to the National Rifle Association and these gun clubs is beyond me. We are going to give them $8,800,000 worth of property and $4,400,000 in cash—let somebody stand up and defend that—and 176,000 rifles. I do not know what they are. When I was in the Army, M–1's were the rifle. I assume we have moved beyond that stage. I see Senator GLENN, who is an expert on the Armed Services Committee. But this kind of nonsense, $9.5 million worth of ammunition we are going to hand out. I have seen ridiculous things pass this U.S. Senate. I have never seen anything as ridiculous as this move ahead. We ought to be doing something about it.

It is interesting, who are the people who are going to take advantage of this? In the State of Michigan, the Michigan Militia took advantage of even the marksmanship program we have had at the National Guard base at Camp Grayling. These are the counterparts to the Freemen out in the West.

But this kind of a giveaway? You can argue for all kinds of subsidies in this country, but this is a subsidy that no one can defend with any logic.

I see my friend from North Dakota just walked onto the floor. He has been in the Budget Committee and has been a bulldog in trying to see our money is spent wisely. Here we have the Federal Government giving away $76 million to the National Rifle Association, giving away 176,000 rifles.

We are going to be the No. 1 gun dealer in the Nation with this sale, and instead of destroying these weapons, we are going to be handing them out to people with no control on who gets them.

It is terrible policy, and the Lautenberg amendment ought to be adopted by voice vote. It should be unanimous, but I recognize the power that our friends in the National Rifle Association have. They have used the democratic process very effectively. But the U.S. Senate should stand up to them.

I say to staff members who may be watching this on television, I do not care what your party affiliation, what your background, look at this carefully. This is bad news for the country if the Lautenberg amendment is not adopted.

I thank my colleague for his courage and vision in offering it. I am pleased to be a cosponsor of this legislation that I hope will pass this body, I hope, overwhelmingly, but I know the power that our friends in the National Rifle Association have.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, first, I thank my colleague, Senator SIMON from Illinois for his remarks. I think he clarified the situation pretty effectively, that this is almost like a shock when you consider what could be done with the $76 million, what ought to be done with these weapons.

The policy of the country in the past has been to destroy them. This goes back to Biblical recommendations: turn the weapons into plowshares, get rid of them. These are no longer valuable for the military, they are passe.

I said earlier that I carried one of these in World War II, and I see our distinguished colleague and friend from

Ohio on the floor, and I know that he, too, carried one of the weapons of this type in the military service of this country, which was, indeed, distinguished.

Mr. President, I want to point out a couple of things here that I think ought to be in the RECORD.

First, there are several documents, including a Washington Post article, a GSA news release going back to 1984 reporting on their view of what should happen with these weapons, which I am going to ask be printed in the RECORD.

The regulations, which I will just paraphrase, state:

Firearms no longer needed by an agency may be transferred to those Federal agencies authorized to acquire firearms for official use.

However, it also prohibits the donation, sale or exchange of firearms and states they may be sold only for scrap after destruction.

I particularly want to note, because some of the questions that are asked are: ''Well, you're accusing the NRA, blaming the NRA for these things, pointing a finger at them.'' I am looking at an article that is issued by the NRA. They say in this article, dated May 10, 1996:

Remember a few weeks ago when the antigunners were criticizing NRA for working to repeal the misguided Clinton gun ban. You may recall they were imploring—

Again, my unanimous consent request will include the document I am reading, as well as others to be submitted for the RECORD.

However, they talk about these antigun votes. They say:

They showed their true colors this week.

This is May 10, 1996, just a few weeks ago.

The antigunners are now focusing their sights on the creation of the Corporation for the Promotion of Rifle Practice and Firearm Safety which was established to replace the DCM. This program seeks to provide surplus firearms and ammunition to law-abiding Americans to enhance firearms safety and marksmanship.

They criticize me and they say:

Even more ridiculous, Senator Lautenberg thinks that the distribution of surplus Government funds to groups amounts to aiding and abetting the rising tide of gun violence. This is just yet another example of the enemies of our firearms freedom putting aside common sense for the sake of politics.

I do not want to go through chapter and verse now of people in my State who lost loved ones to gun violence or to recall the stories that we read almost every day about guns in the schools, shots across the street in random shootings. That is not the subject.

This subject is one about whether or not the Federal Government gives $76 million worth of guns and ammunition to organizations, the primary sponsor of which is the NRA. I think not. I hope, when we have a chance to have our vote, that this body will stand up and say, ''No, we're not going to give away those weapons, we're not going to give away the Nation's assets, we're going to destroy them just as they should be,'' and that we will have good support in that effort.

Mr. President, I ask unanimous consent that the several documents I mentioned be printed in the RECORD.

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

[From the GSA News Release, Jan. 6, 1994.]

GAS ADMINISTRATOR STOPS SALES OF EXCESS FEDERAL FIREARMS

WASHINGTON, DC.—In an attempt to curtail the flow of handguns into American communities, the head of the General Services Administration today announced that the agency will no longer issue waivers that have allowed federal agencies to sell excess firearms to dealers in the private sector.

''After consulting with Attorney General Janet Reno and other administration officials, I have issued orders today that have revoked all previously issued waivers and determined that the General Services Administration will not in the future grant waivers from existing regulations prohibiting the donation, sale or exchange of firearms,'' GSA Administrator Roger W. Johnson said.

The prohibition is part of the Federal Property Management Regulation (FPMR) that control various items in the federal government's property inventory, including firearms. The regulations state, in part, that ''firearms no longer needed by an agency may be transferred only to those federal agencies authorized to acquire firearms for official use.'' The FPMR also prohibits the donation, sale or exchange of firearms and states that they may be sold only for scrap after total destruction.

A waiver, or ''deviation'', from the regulations can be granted by the GSA Administrator upon request by a federal agency, which can then sell its excess firearms to federally licensed gun dealers. The money collected from these transactions has been used to purchase other firearms for federal use or to defray other agency administrative costs.

SURPLUS FIREARMS EXCHANGE POLICY FACT SHEET

The Federal Property Management Regulation (FPMR) Parts 101–42.1102–10(A–C) state, in part, that firearms no longer needed by an agency may be transferred to those Federal agencies authorized to acquire firearms for officials use. Firearms may not be donated and may be sold only for scrap metal after total destruction. Additionally, FPMR Part 101.46.202 states, in part, firearms are ineligible for exchange or sale.

The Administrator of the General Services Administration has the authority to grant waivers to these prohibitions upon request by an individual agency, thereby allowing an agency to sell its excess or surplus firearm inventory to private sector gun dealers. The money from these sales then go back to the agency to defray costs of upgrading future firearm inventories or other administrative costs.

Since 1982, a total of 61,901 firearms have been excessed and sold. The agencies that have excessed these firearms most frequently are the Customs Service, Internal Revenue Service, U.S. Marshal Service, Immigration and Naturalization Service and Drug Enforcement Agency. A large percentage of these firearms were acquired through confiscations during arrests.

GSA Administrator Roger W. Johnson started investigating this issue in October, when he was asked to grant a waiver. After consulting with Attorney General Janet Reno and other administration officials, Mr. Johnson issued orders that have ''revoked all previously issued waivers and determined that the General Services Administration will not in the future grant waivers from existing regulations prohibiting the donation, sale or exchange of firearms.''

NRA–ILA FAX ALERT

ANTI-GUNNERS' HYPOCRISY ABOUNDS

Remember a few weeks ago when the anti-gunners were criticizing NRA for working to repeal the misguided Clinton gun ban? You may recall they were imploring NRA to get back to teaching firearms safety and promoting marksmanship. However, showing their true colors this week, the anti-gunners are now focusing their sights on the creation of the Corporation for the Promotion of Rifle Practice and Firearms Safety, which was established to replace the DCM (see Fax Alert Vol. 3, No. 5). This program seeks to provide surplus firearms and ammunition to law-abiding Americans to enhance firearms safety and marksmanship. The anti-gunners beef—since the shooting clubs involved with the program may be NRA-affiliated, they argue this program is ''new funding mechanism'' for the Association! Even more ridiculous, Sen. Frank Lautenberg (D–N.J.) thinks the distribution of surplus government firearms to groups like Boy Scouts and Future Farmers of America amounts to ''aid[ing] and abett[ing]'' the ''rising tide of gun violence.''! This is just yet another example of the enemies of our firearms freedoms putting aside common sense for sake of politics. For more information on the Corporation for the Promotion of Rifle Practice and Safety, call 202/761–0810.

ANTI-GUN AMENDMENT DEFEATED IN U.S. HOUSE: An amendment to a Public Housing bill offered by U.S. Senate candidate Rep. Dick Durbin (D–Ill.), that would have outlawed self-defense in public housing units, was overwhelmingly rejected by a veto-proof majority on Thursday. Durbin's proposal would have criminalized public housing residents who use a firearm in self-defense, thereby federalizing state and local offenses—discriminating against people living in public housing. Our thanks to Reps. Harold Volkmer (D–Mo.), Bob Barr (R–Ga.), Bill McCollum (R–Fla.) & Denny Hastert (R–Ill.) for leading the charge against the proposal. Side Note: the anti-gun Durbin will face NRA-endorsed candidate Al Salvi (R) for U.S. Senate seat vacated by this fall.

U.S. HOUSE TO LOOK AT BAITING ISSUES: On May 15, the House Resources Committee will hold a hearing on the enforcement of baiting regulations that prohibit hunting waterfowl and other migratory game birds, such as doves, ''by the aid of baiting, or on or over any baited area.'' Following passage of the 1918 Migratory Bird Treaty Act, hunting over bait was prohibited by regulations in 1935 to better regulate the harvest of migratory waterfowl. The Interior Department's Fish and Wildlife Service has enforcement responsibility. However, in recent years, these regulations have caused considerable confusion and disagreement over how they're enforced. We'll keep you posted!

STACK BACKS OUT: Charles ''Bud'' Stack, President Clinton's nominee for a seat on the 11th Circuit Court of Appeals, withdrew his name from consideration after his nomination was criticized by a number of groups, including NRA. In his writings, Mr. Stack had called for the firearms industry to be held liable when their products are misused by criminals, thereby removing responsibility from criminals and placing it instead on the manufacturers.

LEADERSHIP TRAINING SET FOR MICHIGAN: Next Sunday, May 19, NRA—in

conjunction with the Citizens Committee for the Right to Keep and Bear Arms and the Second Amendment Foundation—will host a FREE Leadership Training Conference in Romulus, Michigan. Don't miss this chance to learn how you can become a more effective citizen-lobbyist! To reserve your seat or for more information, please call (206) 454–4911.

EXCERPT FROM NBC NIGHTLY NEWS, MAY 16, 1996

TOM BROKAW. Tonight, The Fleecing of America. If it wanted to, the federal government could have the world's largest yard sale. Think about it for a moment, all that surplus furniture, used vehicles, military equipment; it goes on and on. And in these days of tight cash, why would the government give anything away? Which brings us to this FLEECING question from NBC's Andrea Mitchell.

ANDREA MITCHELL. Dawn, on the world's largest firing range, Camp Perry, Ohio, an Army base. Civilians issued rifles. The Army will soon give away 76,000 surplus M–1s just like these, free. They're also giving away office space, computers, and $4 million in cash. Grand total: at least 67 million taxpayer dollars. The Army will turn all this over to a new private organization which will sell the firearms to finance gun tournaments around the country.

Mr. ROBERT WALKER (Handgun Control, Incorporated). It is a recreational program. It is pork, NRA pork.

MITCHELL. In fact, critics say, not only a FLEECING OF AMERICA but a big benefit to the National Rifle Association. How did Congress pass the gun giveaway? Very quietly. Gun opponents though they had killed this program. They didn't count on the powerful gun lobby, the NRA. Its friends in Congress slipped this 12-page amendment into the massive defense spending bill. Its purpose: the promotion of rifle practice and firearms safety among civilians.

Senator FRANK LAUTENBERG (Democrat, New Jersey). It irritates the devil out of me that people who work here representing the best interests of our country are so susceptible to narrow special interests like the NRA.

MITCHELL. This summer at this Army base in Ohio, the world series of gun tournaments, financed largely by this government giveaway. So, your tax dollars bought the rifles which sell for up to $600 to pay for programs critics say help the NRA recruit.

Ms. SHANNON MCNEILY (Age 12). This is my first time shooting here.

MITCHELL. And how did it feel?

Ms. MCNEILY. It felt pretty cool.

MITCHELL. Supporters say these programs teach gun safety, important lessons that can be taught to anyone, even someone who's never handled a firearm.

Mr. CRAIG SWIHART (Volunteer Instructor). Very good. You squeezed that off real nice. Let's do it again.

MITCHELL. They say good, clean fun. But should taxpayers foot the bill, permit the Army to give the surplus guns away?

Mr. SWIHART. Good question. Is this a good use of tax dollars? These guns were paid for in the early '40s and very late '30s when we fought the Second World War.

MITCHELL. Critics say the rifles should be destroyed. The NRA calls that a real waste of tax dollars. Although they co-sponsor and run the annual tournament, they say:

Ms. TANYA METAKSA (National Rifle Association). This is not a program that benefits the NRA at all. It's one we spend millions of dollars and—to support.

MITCHELL. Gun opponents are now trying once again to kill the gun giveaway.

Senator LAUTENBERG. The people on the other side very cleverly figured out a way to give away the store, and give away the weapons, and continue the program, and pay for it. It's outrageous.

MITCHELL. But the NRA may have bigger guns in Congress to keep this FLEECING OF AMERICA alive. Andrea Mitchell, NBC News, Camp Perry, OH.

[From the Washington Post, May 7, 1996]

UP IN ARMS OVER RIFLE GIVEAWAY

A provision of the defense budget that went into effect earlier this year requires the Pentagon to give away 373,000 old rifles from World War II and the Korean War, spurring protests from gun-control advocates who believe the government shouldn't add to gun commerce.

The little-noticed measure was promoted by the National Rifle Association and the congressional delegation in Ohio, home to an annual marksmanship competition that will be financed by the sale of the venerable M–1 rifles and other aged guns with a resale value of about $100 million.

The heavy, nine-pound M–1s are unlikely to be used in street crimes such as drug killings, the program's advocates say, because the main buyers have been and likely will continue to be gun collectors who must be trained in shooting rifles and pass a stringent background investigation.

But critics say the recent congressional action is in effect a subsidy to the NRA. It requires the Army to transfer control over the rifles for free to a new nonprofit corporation. The corporation will sell them to benefit marksmanship programs and the yearly target tournament in Camp Perry, Ohio, which is managed by the NRA.

The old Army-administered program also co-sponsored the annual Ohio tournament with the NRA, and over the years the NRA used its close relationship with the project to market itself, critics of the group said.

Congress's action marked the death of the Army-administered program, called the Civilian Marksmanship Program, which critics called one of the U.S. government's oddest pork-barrel projects. The Pentagon ran it for decades but has sought to disentangle itself in recent years.

The program harkens to 1903, just after the Spanish-American War. U.S. military officials were upset to learn farm boys conscripted for that conflict were not the rustics of romantic American novels who could nail a jack rabbit from 200 yards—in fact, they couldn't hit a barn. Congress established the project, supported by U.S. military guns and money, to promote sharpshooting in future wars.

''The gift of millions of dollars worth of weapons and ammunition is terrible public policy,'' said Sen. Frank R. Lautenberg (D-N.J.) in a column in USA Today. ''In fact, it's outrageous. The government must work to stem the rising tide of gun violence in this country, not aid and abet it.''

''This program historically has been a federal subsidy to the NRA's marketing,'' said Josh Sugarmann, a gun-control activist and author of a 1992 book critical of the NRA. Congress's latest action, he added, is ''a new funding mechanism'' that also helps the NRA.

The great majority of the gun clubs that take part in the marksmanship program are affiliated with the NRA, he said. For decades, in fact, the guns' buyers had to prove to the Army they were NRA members—until a federal judge stopped the requirement in 1979.

Promoters of the 93-year-old program say it's no more sinister than the Boy Scouts, the Future Farmers of America and other youth groups that have taken part in its marksmanship training. This M–1s that are sold are not used in crimes, they said, because the strict background probes of the guns' potential buyers cull out criminals. They also point out that nine of the 10 members of America's 1992 Olympic shooting team learned marksmanship in the program.

''Any link opponents try to draw between this program and urban violence is comparable to linking Olympic boxing competition with hoodlum street fighting,'' said Rep. Paul E. Gillmor (R–Ohio), who sponsored the new measure and whose district draws 7,000 visitors and $10 million in revenue during the summertime rifle competition.

Gillmor added that it would cost the military $500,000 to destroy the guns, while the cost is nothing if it gives them away.

Chip Walker, a National Rifle Association spokesman, said Lautenberg and other critics of the program ''don't want to promote firearms safety and responsibility.'' He added that it's ''ironic'' that gun-control advocates for years have criticized the NRA for its harsh rhetoric, urging it to stick to its traditional mission of teaching firearms safety—and now raise questions about its efforts to pursue even that goal.

Almost all the guns the Army is to give away are M–1s, the bolt-action rifle lugged by GIs onto the beaches at D-Day and Guadalcanal. Replaced in 1958 by the M–14 as standard infantry issue, and later by today's M–16, the M–1 is prized by collectors and war buffs—especially the pristine guns sold in their original boxes by the Army.

Last year the Army charged $310 each for the M–1s stored at its Anniston Army Depot in Alabama—an increase from its recent price of $250. In any case, those are discounts, because M–1s usually sell for $400 to $500. In recent years the program sold a maximum of 6,000 guns a year.

The measure recently signed into law by President Clinton in essence privatizes the program and transfers ownership of the 373,000 rifles to the new Corporation for the Promotion of Rifle Practice and Firearms Safety, whose board is to be named by the Army. It will then sell the weapons for whatever price the market will bear, and at whatever rate it chooses. (the guns will remain at the Anniston facility until they are sold.)

The law requires the Army to transfer to the new corporation $5 million in cash the Army program has on hand, $8 million in computers and other equipment, about 120 million rounds of ammunition and the 373,000 guns. It's estimated that only about 60 percent of the guns—about 224,000—are usable, and they could fetch about $100 million.

The Pentagon has sought to remove itself as administrator of the program, under which it sold 6,000 guns a year and donated $2.5 million annually to the Ohio competition, military officials said. The main reason, they said, is that they concluded that the program years ago stopped contributing to ''military readiness.'' Moreover, Pentagon officials were uncomfortable being involved in an issue as controversial as firearms.

Finally, last year, military officials were upset by the taint the program suffered when it was learned that members of a Michigan militia had formed a gun club that became officially affiliated with the Army program. Using that affiliation, the militia members had taken target practice at a Michigan military base until they were stopped.

Mr. SMITH. 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. GLENN. 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. GLENN. Mr. President, regrettably, I must rise today in opposition to the amendment offered by my colleague from New Jersey. I do this reluctantly. I think this whole program is being mischaracterized, to a large degree, here. I think that is unfair.

Civilian marksmanship is an old program. It has been run since way back in the early 1900's. It has been, basically, a good program. I would like to disabuse anybody of the idea that this is somehow just an NRA program. You bring up NRA and you immediately get strong feelings on both sides of whether you should support something or not just by the fact whether NRA approves it or does not approve it. But this is not an NRA program and it is not a giveaway program and it is not a gun control issue. I want to address these things.

Senator LAUTENBERG's amendment would terminate a program that represents a compromise. It was a compromise which was worked out last year as a way of changing from Army support with taxpayer money, Army support of the Civilian Marksmanship Training Program that is conducted at Camp Perry in Ohio, and has been, I do not know, for how many decades it has been run there. But it was a way of converting from Army control and taxpayer money being used over to a civilian nonprofit organization that would run a legitimate sport that is run as a gun sport, not hunting or anything like that, but target shooting, marksmanship, gun safety, and that has been the focal point of the matches that have been held at Camp Perry for a long, long time.

This way to convert over to a civilian program without just killing the whole program outright was the compromise that was worked out last year. No. This program, Mr. President, has not even had a chance to go into effect yet. So what we are doing is dumping the compromise that we thought there was agreement on last year.

This program's predecessor, the Civilian Marksmanship Program, was established by Congress in the very early 1900's. They have promoted firearms safety and marksmanship training ever since that time.

Up until this year, the Civilian Marksmanship Program was run by the Army, using appropriated funds, as I said. In addition to providing firearms safety training, the Civilian Marksmanship Program conducts a national marksmanship competition each year. Quite legitimate; great. It is like people shooting bows and arrows get to have their competition. People shooting little .22 pistols have their competition. And people who want to fire a little heavier fire caliber rifles have their competition.

Indeed, it is an Olympic sport in marksmanship. The training many of these people receive at Camp Perry, the competitions they were in in these matches, is what leads them into a position where they can even participate in the Olympics. So it is a legitimate sport. So, in addition to providing firearms safety training, they conduct the national marksmanship competition each year.

The third element of the program has been the sale of World War II vintage M–1 rifles out of which some of the costs of the competition and the firearms training has been funded.

Now these are M–1's as my distinguished colleague from New Jersey said, M–1's that everybody who was around the military back during World War II days certainly and the Korean war are very, very familiar with. This is not a weapon of crime. I do not think there is a single time on record where an M–1 rifle has been taken in and been used to conduct a crime or rob a bank or a 7–11 or anything else.

Last year's defense authorization legislation simply took the old program run by the Army, with appropriated funds, and moved it into a federally chartered—federally chartered—not-for-profit corporation that would conduct the training, the national matches, and sell collector-type rifles to defray the costs of the operations.

This was a transition program to help them change to this nonprofit operation. That was the only purpose of it. The program has not changed in the last year, other than to move it out of the Army and stop using Army appropriated funds and put it into a self-sustaining corporation called the Corporation for the Promotion of Rifle Practice and Firearms Safety. The use of appropriated funds was the complaint of the program's detractors last year, and that complaint was addressed by last year's legislation, Mr. President.

I regret this issue is being characterized as a gun control issue because I believe that characterization is misleading, to say the least. Like Senator LAUTENBERG, I have been a strong supporter of gun control, but I do not believe the sale of these 50-year-old 9-pound rifles raises a gun control issue. As I said, as far as I know, there is not on record a single crime, not a single one, no robbery that anybody has on record as I understand it, of an M–1 rifle ever having been used.

What is the attraction of these? The attraction of these rifles is nostalgic, quite frankly, for collectors, those who literally lived with that rifle back during World War II days and who want one to hang above the fireplace or on the wall or someplace or to show their kids. It is something they literally lived with in combat and which became an important symbol to them. You do not see a picture of World War II with the troops going up without the M–1's slung over everybody's back here. That is the attraction of them to collectors.

It is not a matter of gun control at all. These rifles are being bought by collectors. They have never been recorded as involved in the commission of a single crime. They are heavy weapons and difficult to conceal. In addition, before a rifle can be purchased, a background check is required. The arguments about the program have never been about gun control before. The Army has been selling rifles and ammunition to the public under the auspices of the Civilian Marksmanship Program since 1924.

Finally, I note these weapons are obsolete. They are not usable by the Army. So this is not a valuable giveaway where you can say these cost $400 or $500 to produce. These weapons, if they are stored by the Army—it will cost more to store them. I also add, the estimates of what it would cost to destroy these as opposed to selling them has been running—we do not have an accurate estimate, but the estimates have been between $500,000 and $3 million to destroy these things. I do not know what the true figure is here, but the lowest estimate we have had was $500,000.

But in any event, these are not usable now. They will be destroyed if they are not transferred and sold into this program. So to the Government these rifles are not truly assets. Rather, they would be reflected on the books as a liability since their destruction would cost the Government money.

So I think that sort of lays out the program, puts it in a little different light. It is not a program concerned with crime prevention. It is not a gun control issue; never has been. These are not the weapons of crime at all. It is not a giveaway because, if the Army does not want them, it will cost money to destroy them.

What it is is a way of getting from the transition of the old Army-supported, taxpayer-supported matches that the Army used appropriated funds for and transferring that over to a nonprofit corporation to continue the marksmanship training, safety training, Olympic-hopeful training, and so on, that has occurred at Camp Perry for many decades now.

So I urge my colleagues to oppose the amendment offered by my colleague from New Jersey.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, in this amendment the Senator from New Jersey argues that the private, nonprofit, self-sustaining entity established by Congress, the CMP, the Civilian Marksmanship Program, is neither private nor self-sustaining. The amendment appears to make the program self-sustaining, but in fact it terminates the program flat out.

He says that the CMP should be self-sustaining. He states that the program is terrible; in fact, it is outrageous, he says. I think the goal here is to portray the Civilian Marksmanship Program as dangerous and wasteful, perhaps an agenda here which is to terminate the entire program.

Let me just use some phrases that the Senator from New Jersey has used

in debate here. The Senator from New Jersey says, ''Located deep inside the massive 1996 Defense Authorization Act, there is a small provision that was slipped into the defense bill.''

Both the House and the Senate bills contained very detailed provisions to transition this Civilian Marksmanship Program from the Federal Government. This is not something that was deep inside a massive bill that was slipped in. It is actually 14 sections in a separate title. Title 16, Corporation for the Promotion of Rifle Practice and Firearms Safety. It is almost 10 pages. So it is not a little, insignificant item that was somehow slipped into this bill. It is very clear. It is not a small provision. It certainly is not in any way hidden. It is very much a part of the bill and easy to find.

The Senator from New Jersey also says that, ''The law directs the Department of Defense to turn over 176,000 guns and 150 million rounds of ammunition in buildings in Washington, DC, and Ohio worth $8.8 million.''

The law directs DOD to transition the program to the private sector—transition the program to the private sector. No transfer of an obsolete M–1 Garand rifle can occur by law unless strict criteria are met. No buildings or real property are going to be given to the corporation. One building at Port Clinton, OH, may be leased back to the corporation.

Ammunition held in this Civilian Marksmanship Program is surplus ammunition. Eighty-five percent of it was purchased with revenues generated by CMP from fees and dues. There are no U.S. forces or allies, for that matter, who have any need for this 30-caliber ammunition. So the 287,000 M–1 Garand rifles now being stored by the defense logistics agencies are obsolete. They are carried by DOD as unserviceable.

So I do not understand where all this tremendous monetary value comes from that somehow we are wasting or giving away. They are obsolete. They are not worth anything to the Federal Government. So this transition saves the Government, does not cost the Government, saves the Government millions—millions of dollars—because you have to destroy this inventory. If you did not get rid of it by giving it away, you would have to destroy ammunition, you would have to destroy these weapons. Plus, in the meantime before you destroyed them, you would have to have storage costs. The estimate of that is somewhere around $2.5 million annually. In addition to that, you would preserve the program and avoid other significant costs.

M–1's are obsolete and have value only if they are sold. They do not have value if they sit. They have value only if they are sold. Criticism that the program is a giveaway for selling obsolete rifles that have no value unless they are sold does not make any sense. Disposals comply with all current law. All current law is complied with, and further, require a formal training program and a waiting period of 10 to 15 months after the completion of all these requirements.

Now, the Senator from New Jersey, and I will use his language, said, ''The total tab to the American taxpayer for this boondoggle is over $76 million.'' That is simply not true. The value of obsolete M–1 rifles is zero. How would one put a value of $76 million on obsolete items that no one wants to buy? They are a liability. They cost money if they are destroyed.

No real property is here being transferred to the corporation. So the $76 million, I do not know where it came from. It has no basis, in fact. However, there are some savings. Mr. President, 28 Government employees would leave the program, $83,000 in annual rent for a commercial building would be saved, and $850,000 in conducting national matches would be saved, a cost avoidance by not having to store and destroy 287,000 obsolete firearms.

Another statement that was made here, Mr. President, by the Senator from New Jersey is, ''Why should taxpayers be delivering cost free to American gun enthusiasts more than 176,000 rifles and enough ammunition to start a small war?'' If we could try to look through that kind of inflammatory rhetoric, it is fair to ask a public policy matter, I think, as to whether the CMP should be transitioned or terminated. That is a fair question. No concern was raised while the issue was considered in markup nor on the floor nor in conference. This is not a gun control issue. That is what the other side is making this into. It is not a gun control issue. The program promotes safety and conducts matches—national matches. The disposals of these obsolete weapons, the M–1's, comply with all current law and further require a formal training program and a waiting period of 10 to 15 months after all these requirements are complete.

We have heard today that somehow this is a great benefit to the NRA and we are carrying water for the NRA. This is not even about the NRA. The NRA does not have a thing to do with this program, nothing, not one bit of a role does the NRA have in this program. The essential question is whether the program contributes sufficient value to the United States to merit its continuation. That is the issue. The program of safety education and the contribution to the U.S. Olympic teams alone would answer that question in the affirmative.

Now we have heard to the contrary, but considering the program's value as an outreach program, conducted by a large network of volunteers, its proven value in military recruitment and the savings to taxpayer, all of those items support its continuation. What we are hearing is a misrepresentation of the facts, turning this into a gun issue. The fact that there is no cost to the taxpayers to continue the program as a private entity further supports its continuation.

Now, let me answer this point about gun enthusiasts. This is a large program, a very large program. It has the direct involvement of over half a million young adults, maybe some older adults. Nine out of 10 members of the 1992 U.S. Olympic rifle team participated in this program, 9 out of 10, to include female gold and silver medalists. Congress considered the issue, recognized the value of the program, and developed the transitional aspect of this legislation in close cooperation with the Army to enhance those people to use those weapons in their training on the U.S. Olympic team.

CMP, the Civilian Marksman Program, is conducted through 1,100 formally affiliated clubs in all 50 States, whose volunteers teach young people the safe and responsible use of firearms in conjunction with competitive sport shooting, competitive sport shooting. Who belongs? Clubs in New Jersey, for example, include the Vernon Township Police Athletic League, the Queen of Peace High School, the 44th infantry Division Historical Reenactment Society, the Boy Scout Troop 46, and Kearny Police Junior Rifle Club. We forget that when we go to see these reenactments of military battles or marchers, that they do carry these weapons. Where would they get them? We are providing them to them. That is a service. These are not placed in the hands of fanatics who are going out shooting people. Yet that is the image that is being presented here.

A typical club secretary, who also is a New Jersey police officer, commented to our staff on the committee, ''Our club has 21 young people in grades 6 to 8 and 40 on a standby list. We have turned away countless others because we do not have instructors. The local schools and parents fully support our club.'' I repeat, ''The local parents and schools fully support our club. Ours is the only basic firearms safety program in the area. We believe that educating kids in safety is the best way to demystify guns and achieve responsibility, safety, and respect. We teach kids how to handle these situations where a friend may try to take out a gun in a house,'' for example. It is a team program.

Another secretary commented, ''We have more than 400 members in our club. This is a family program, lots of fathers and daughters. Most adults are in the National Guard, the Reserves, or have had military experience. We stress the safe handling of firearms and dispel myths. We instruct the police auxiliary and active Reservists without the use of public funds. Our community has found in 15 years of club affiliation this is an excellent program for kids.''

So, ''The CMP,'' again, using the words of the Senator from New Jersey, ''has sponsored summertime shooting competitions for civilians and it even purchased bullets for Boy Scouts and taught them how to shoot guns.'' Now, that is really an outrageous statement, Mr. President. The program conducts

annual national matches, supports programs like 4–H, Future Farmers of America, and, yes, the Boy Scouts. It does furnish .22 caliber ammunition—formerly free of charge, soon at a nominal price—for certified youth programs paid from revenues that this program generates. Without this program, there would be no national matches.

Again, the Senator from New Jersey says in reality the new corporation will be private in name only. That is not true, either. The legislation states, ''The corporation shall not be considered a department, agency, or instrumentality of the Federal Government. An officer or employee of the corporation shall not be considered to be an officer or employee of the Federal Government.''

The Senator from New Jersey also says, ''There was also evidence of links between the program and antigovernment militia groups.'' Of course this is a hot button, which is why it is brought up. Again, this is simply not true. Now, facts are facts. This comment may refer to a group not affiliated with the program that tried to use a military installation range and was turned away by the installation commander because they were affiliated with the militia. The Army conducted an investigation of possible militia involvement in a program and can find absolutely no indication of militia involvement.

This M–1 is not the type of firearm that such a group or a criminal would prefer. It cannot be used as a full automatic. It is heavy and it is impossible to conceal. This is an old military weapon, Mr. President.

The legislation prohibits explicitly participation in the program by anybody who is a convicted felon, firearm violator, and any individual who would advocate the violent overthrow of the U.S. Government or any overthrow of the U.S. Government. The requirements to purchase an M–1 through the program are probably the most vigorous in the country.

An applicant must comply with all existing laws, have a background check, be fingerprinted, attend a formal training program, fire 50 rounds under supervision as part of the training, and wait 10 to 15 months after completion of all of the requirement to receive a rifle.

It is regrettable, Mr. President, that this program has come under attack and this thing is being made into an NRA issue or a gun issue.

Again, in summary, these are outmoded weapons that are used in competition, or in military reenactments, or hobbyists, or for competitive shooting, and that is all. They have no value whatsoever to anyone. So to say they are worth $76 million is simply outrageous. They have no value.

So by providing this opportunity for people to get some use out of them, some training, I think we enhance the possibility that they would be less be apt to have accidents, or go to people who do not understand guns. But to say we are putting bullets and guns into the hands of Boy Scouts, that is terribly misleading, Mr. President.

At this point, I suggest the absence of a quorum.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator withhold the quorum call?

Mr. SMITH. Mr. President, let me just say, the Senator from New Hampshire would object to calling off the quorum call, unless the Senator from California would agree to be recognized for debate only while the managers are working on an agreement with respect to the Lautenberg amendment, and that I be recognized when the Senator from California yields the floor.

Mr. LAUTENBERG. I object.

Mr. SMITH. Then I object to the calling off of the quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. SNOWE). Is there objection?

Without objection, it is so ordered.

Mrs. FEINSTEIN. Madam President, I rise as a cosponsor of Senator LAUTENBERG's amendment and to both commend him and support him for this amendment.

Prior to making my remarks, I would like to address a comment made by the very distinguished Senator from New Hampshire that these guns have no value, that the $76 million price tag on them is outrageous.

Well, we called a number of gun shops around the Nation to determine whether the M–1 and the M–1 carbine had a value. I would like to share with the Senator what I found. The M–1, which the Army puts a value of $310 on, can be purchased at the Old Town Armory in Alexandria, VA for $425. It can be purchased at the Old Sacramento Armory in California for $549. It can be purchased at Segal Guns in Oakland for $495.

Remember, the Army's value is $310. The M–1 carbine, which the Army puts a value of $76.90 on, can be purchased at the Old Town Armory for $389, and the Old Sacramento Armory for $425, at the San Francisco Gun Exchange for $278.50 and $325, at the National Shooting Club in Santa Clara at $400 and $425.

As a matter of fact, if you average these prices and say what market prices are for these weapons, the M–1 and the M–1 carbine, and the other items, actually increase the amount to about $86.5 million rather than $76 million.

So I respectfully submit to this body that it is not true that these guns have no value. They are, in many cases, collectors items, and they bring a substantial value.

Nonetheless, I rise in support of what Senator LAUTENBERG is doing, because to me this kind of program is not one in which the Federal Government should be involved. It is not one in which we should be providing cash and leased space and weapons to a civilian program. My view is that the groups who are interested in this are well-funded, they have a fee base, and they can handle this program on their own, and that is an appropriate thing to do.

I also have a problem in that I do not believe that military weapons should be sold by the U.S. military to civilians. Military weapons may be out-of-date weapons, but, nonetheless, they are designed with a purpose, and that purpose is combat. Heaven knows we have enough combat on our streets.

I looked at the background of this program. It was actually established, interestingly enough, in 1903 as a military program prior to the Spanish American War to take young recruits and would-be military and teach them how to shoot prior to their coming into the military.

Last year, under title XVI of the 1996 Defense Authorization Act, the nonprofit, so-called private Corporation for the Promotion of Rifle Practice and Firearm Safety was put forward. In effect, this is a change in name only. It is the same program. It may have a different board of directors, but it will be the same identical program—sort of the same program with a different name on it.

So essentially, when it becomes operational in October of this year—and it has not yet become operational—it will take control of 176,218 Army rifles and 146 million rounds of ammunition worth more than $62 million. Even more remarkable, it will receive at least $4.4 million in cash from the Army, and it will be given leased Federal property such as vehicles and computers valued at $8.8 million at no cost to the corporation but at a cost of $76 million to the taxpayers. So the taxpayers are essentially giving to a totally civilian program $76 million of their funds.

Is training people to shoot straight a worthy cause? Of course it is. But it is not the Government's responsibility.

I do not know about you, Madam President, but I have not received one phone call or letter from a constituent complaining that we are not funding enough shooting competition. I have, however, heard from constituents about the $11 million that was cut from Healthy Start, a program to reduce infant mortality among low-income pregnant women, and I have heard about the $384 million that was cut from student financial assistance grants, and I have heard about the $12 million cut from the school dropout prevention program and the $4 million cut from the National Health Service Corporation that sends doctors and nurses into underserved areas.

So what this boils down to—and I recognize there is a firewall between

defense and social programs—is really a sense of priority. Is this where we want Army weapons going? Is this how we want Federal dollars used?

My own State of California will have cut $12 million for the Commerce Department's Tourism and Travel Administration. This is a big deal in California. It is one of our major industries. Local communities feel a very real impact from the $35 million lost in impact aid to make up for lost tax revenue.

So this, again, is about priorities. I do not think—well, I know, because the military has said they do not need the program. They do not really want the program. $76 million—think of what that could do put to use.

I am also very much aware of the fact that there are many guns in this Nation. We have 212 million guns in the United States of America in private circulation and another 6 million being added every single year. Do we really need to use Federal money to add over 175,000 Army guns to this street supply? This is not a question of gun control. This is not controlling guns. It is a question of adding to the supply with taxpayer dollars. I, for one, do not truly believe that the Federal Government should do this. I believe, in a sense, that it has as much social well-being and purpose as a Federal tea-tasting program.

In reports such as ABC's Prime Time Live and a Boston Globe article, it is true militia members brag that they are adding to their stockpiles of weaponry and ammunition and have received training at U.S. Army bases from the Civilian Marksmanship Program. What is to stop them from receiving training at this program as well?

As a matter of fact, this group does its own gun checks—not a Federal agency, not somebody independent, not somebody trained in it, but very progun, antiregulation, antilicensing people would do the betting of who would have these weapons.

So I would say who do we really know? Where do we really think these weapons and ammunition will go? The clear answer is we do not really know because the new corporation would have the sole responsibility for determining who gets the guns and who does not. A group of private citizens will determine who gets military weapons and who does not.

That, to me, is wrong-headed. It is ill-advised. Then when you fund it with taxpayer dollars, I think Senator LAUTENBERG is absolutely right on, it becomes a major boondoggle.

I yield the floor. I thank the Chair.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Madam President, the amendment that the Senator from New Jersey has brought before us—certainly the Senator from California has just spoken in behalf of—in my opinion rests largely on a matter of opinion and not as much on fact. I say so because, if you really are antigun—and that appears clearly to be the case of the two Senators and the votes that they have cast over the last several years, and certainly the Senator from New Jersey has made no secret about the fact that he has been opposed to the Civilian Marksmanship Program and has for many years tried to terminate it—I would not be surprised that this amendment would come at this time. What happened last year was a recognition of the concern of the Senator from New Jersey.

But as important as getting it off from the Government role, if you will, is the recognition as we have gone down through the decades that we really did find it a legitimate and a responsible position for our Government to promote firearm safety and, certainly, legitimate civilian marksmanship.

Whereas, the Senator from California stated when this program was originally organized we found our need to defend ourselves as a country but we found a civilian population who did not know how to handle firearms, and the length of time in training them was such that it was inadequate for the need for protection. Since that time we have had a department of civilian marksmanship, a program that has been participated in, yes, by the National Rifle Association, but by a lot of other civilian groups, private groups, who have been interested in responsible firearm handling and safety and accurate marksmanship.

As the Senator from Ohio so clearly spoke, this program is privatized. It is being moved out of the area of subsidy.

So if you are against a safety program, a responsibly controlled program, and you are just antigun, then my guess is you would want to vote for this amendment.

But if you recognize the need for gun safety, for a well-organized program and for our military, the Army in this instance, to be a participant in selecting the board of directors of this civilian, nonprofit group to handle the Civilian Marksmanship Program and the sale of these obsolete firearms, then I would ask you to oppose this amendment; to do responsibly what we did in 1996 in the defense appropriations bill, and that is to move it out of the Government and allow the sale of the M–1 and the ammunition that remains, which is by all definition an obsolete military weapon, to fund the program.

Some would argue that is subsidy. I would argue something different than that.

I suggest that right now the storage of these obsolete military weapons is costing us well over $2 million a year. We are paying for that on an annualized basis. If we destroy the arms, which the Senator from New Jersey is advocating, we do not know its cost—millions of dollars to go out and destroy not only the firearms but the ammunition. That has a fixed-cost to it. Or we can do as we are suggesting here and legitimately fund this program by the controlled sale of the M–1. And I hope we would choose to do so. Certainly, I think that remains a responsible choice.

This new program and the director of civilian marksmanship that would be created by it have this responsibility: the instruction of marksmanship and the conducting of national matches and competition—and out of those national matches and competition grow our Olympic athletes who compete in this legitimate international sport, the sport of marksmanship shooting, competition shooting—the awarding of the trophies, the prizes, the badges and insignias, the sale of firearms, ammunition and equipment.

That becomes the responsibility of this civilian-based, nonprofit corporation, and I think that is what we ought to be doing. That is responsible. I think this is an amendment that ought to be tabled, and I hope that sometime this afternoon we could get to that and my colleagues would join me in such tabling action.

As the Senator from Ohio, who outspokenly said he was an advocate of gun control, has said on this floor minutes ago, the M–1 is not a weapon that we find in crime, used on the streets today. It is a collector's item in large part, and it is also used for marksmanship. Many of our veterans of World War II like to collect them as memorabilia. It is a way of raising money from an obsolete item that our Federal Government now has.

I certainly hoped that the words of the Senator from New Hampshire, the recognition that we heard the Senator from New Jersey and responded by taking this out of the Government role and making it a private corporation, would have satisfied him. Apparently, by his presence and this amendment in the Chamber this afternoon, that simply is not the case. He wants to terminate this program altogether and then withstand the expense of the destruction of these firearms and the ammunition involved. I hope that is something we would not do.

Yes, there is value to the weapon. There is no question about that. The Senator from California cited statistics from gun shops around the country, but only if it is in that shop and only if it is for sale. Right now, stored in a warehouse, it is of no value except it costs the Government annually over $2 million, about $2.5 million to store and to maintain these weapons.

So I certainly hope that as, once before, the Senate spoke clearly on the value of the Civilian Marksmanship Program, we would again concur as we did last year. It is time to privatize. That we are doing. We have moved in the process to create the nine-member board of directors, initially, as I said, appointed by the Secretary of the Army. The civilian director, also chosen then by that board, will continue to provide services to affiliated organizations and to follow through with those items with which I mentioned this director is charged.

I hope we could conclude this debate and move on with other issues directly affecting certainly the legislation before us, the defense authorization bill.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, I listened carefully to my friends who take an opposite view to mine, who I think are accusing me at this moment of trying to foster gun control. Although that is something I do not shy away from, that happens not to be the motive of this amendment. They suggested that I may not like the Boy Scouts. I was a Boy Scout. They suggested I do not like guns. I carried a gun. I climbed telephone poles with a carbine over my shoulder in Europe during World War II, in the northern tier, Holland and Belgium, that area. I even at one point got a marksman's badge. So I fired these weapons and did what I had to do to learn how to shoot them. The Army program was pretty effective.

Now, again I said World War II. Some around here may think I was in the Spanish-American War, but the fact is that that war is what occasioned this development. We had an Army that could not shoot straight so they said, well, let's get a civilian force that can effectively be a kind of premilitia group that can help us at moments of conflict.

That was then, 90 years ago. But the program has no value now, and it has been established by the Army as having no value. The Under Secretary of the Army writes in May that the Army gets no direct benefit from the program, that there is no ''discernible link,'' it is quoted, the Honorable FLOYD SPENCE, chairman of the House National Security Committee, and the ranking member, RON DELLUMS, reiterating, no discernible link between this and the CMP.

Madam President, I think we ought to get to the nub of the problem. Yes, I think that it would be outrageous for the Government of the United States to give away $76 million worth of property to people who want to learn how to shoot a gun and hold a competition. If they want to do that, that is fine with me. We do not provide golf balls, tennis balls, baseballs out of the Federal Government for people who want to learn how to play baseball, basketball, or otherwise. If they happen to be in the military or some branch of Government that does that, fine. But for civilians we do not do that kind of stuff.

And since when do we now suddenly see the sanctimonious character of this being almost a moral obligation of the country? I disagree with that totally. We are talking about a giveaway of Government property contrary to policy that says that in fact we ought to be destroying weapons.

This was a GSA-inspired program. The General Services Administration convened a Federal weapons task force to review the Government policy of disposing of firearms. It confirmed a longstanding Government policy of not transferring federally owned weapons to the public; excess weapons are not sold or transferred out of Government channels.

Federal regs are clear. They say that ''surplus firearms and firearms ammunition shall not be donated'' to the public. ''Surplus firearms may be sold only for scrap after total destruction by crushing, cutting, breaking, or deforming to be performed in a manner to ensure that the firearms are rendered completely inoperative and to preclude their being made operative.'' So that they cannot be made operative again.

Simply put, they said the Federal Government has made a decision. It should not be arms. This has nothing to do with gun control or whether or not FRANK LAUTENBERG is offending the sensibilities of the 4–H Clubs—we have them in New Jersey—or the Boy Scouts. I repeat, I was a Boy Scout. I never got to be an Eagle Scout, but I was OK. Nothing could be further from the truth.

But, when it is suggested here these weapons could never be used in a crime, they are too cumbersome, et cetera, we have a transcript of a TV program in which a Mr. Mark Koernke appeared and talked about the militia program, where they had access to an American military base where they could go in and out fire weapons, et cetera. This was Mark Koernke's response to Sam Donaldson. ''As a matter of fact,'' he said, in response to Sam Donaldson, who said:

> You're telling me, sir, that you did not, in any event, ever advocate an attack on Camp Grayling [military base]—is that what you're telling me?
>
> Mark Koernke: Absolutely. As a matter of fact, we can access Camp Grayling at our discretion any time that we wish.
>
> Sam Donaldson: What do you mean by that?
>
> Mark Koernke: We have access to it. . . .

This is someone who is a leader in the Michigan Militia:

> We have access to it . . . for Department of Defense, D.C.M. [a civilian marksmanship basis] shooting on a regular basis. We can enter the facility or any other military facility.

So, while this may not be a weapon of choice for criminals, the fact is if it is a weapon of choice for military people to train with—militia people, I think it is a bad idea.

We are down to the nub here, frankly. Whether or not the process is exactly as it should be, yes, Senator FRANK LAUTENBERG wants to eliminate this program. That is what the Army suggested. That is what the GSA suggested. We want to stop paying for it. I want to stop paying for it altogether. I want those weapons destroyed, not given over to a civilian organization where they can sell them and use the profit for their mission. It ought not to be that way. No place else in Government do we do that kind of thing.

It was said, by our colleague and friend from Idaho, this was a board appointed by the Army Secretary. That should give it some balance. But this board has the authority to replace itself, replace members that retire or leave for whatever reason, so it can easily become a captive of a particular group.

I do not want to stop gun practice, gun safety instruction, none of those things. I do not want my Government, I do not want these taxpayers, to have to pay to give it to the group. I think it is an absolutely unjustified process. We ought to stop the program. We ought to get out of the business. If people want to pay for ammunition and guns and so forth, there is a marketplace out there, they can buy all they want.

I hope, Madam President, we will bring this debate to a conclusion and let the Senate speak for itself.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? At this moment there is not.

The Senator from Alaska is recognized.

Mr. STEVENS. Madam President, I do know the Senator from New Jersey's military background. Apparently I know something he does not know about the Army.

The Department of Army did investigate the militias to see if there was any connection between the militias and the problems the Senator from New Jersey has mentioned. It is my understanding they found there was none.

As a matter of fact, just in the last 2 weeks when I have been back to Alaska, twice, I have seen the Alaska Militia working as volunteers at the fires that took place near Anchorage, around our lake country. We call it the Meadows Reach fire. They were in their uniforms, provided by my State. They perform voluntary service, assisting people in disasters.

They also perform the function of teaching our people, young people, how to handle weapons, weapon safety, weapons training. The unfortunate thing is, I do not think the Senator from New Jersey realizes in the President's appropriations bill, in the bill the President submitted to us—and this is the President's budget I have here—is this provision:

> None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles or M–1911 pistols.

The impact of that is to continue in the appropriations process the provision that we put in there for many years to prohibit the Department of Defense from destroying these weapons. These are weapons that are now stored by the Defense Logistics Agency. They are obsolete with regard to the activities of the Department of Defense. The Department is required by law to protect them. I think others

have already mentioned we have a series of people, 28 Government employees, we pay $83,000 annually for rent of a commercial building to store them, there is approximately $850,000 we currently pay from the taxpayers' money to conduct the national rifle matches.

What has happened in the last year, the Department of Defense bill, which was signed by the President, had a provision to require these rifles be turned over to them, and the ammunition, which is surplus to the Department's needs. There is no U.S. ally or entity of our U.S. Department of Defense that uses a .30 caliber ammunition now.

Contrary to this chart, there is no property being given to this corporation. I do not know where the Senator from New Jersey got those figures. This is not a giveaway. It is a creation of a foundation, in effect a corporation that is required by law to pay the costs of preparing and transporting any firearms or ammunition. It deals with the surplusing of these rifles over a period of time to this creature—it is a corporation, created by law.

It was not deep inside the Defense Authorization Act, done in the dark of night, as the Senator from New Jersey would have us believe. It is legislation signed by the President, 14 separate sections. This is the act that passed last year. That is an act of our Congress last year. It was signed and there are 14 sections in here that deal with this corporation for the promotion of rifle practice and firearm safety.

We take the position it is a logical use of the power of Congress to create a corporation and assign it a function that has previously been paid for by the taxpayers. This is going to save money and continue the concept of trying to find ways to instruct our young people on rifle practice and firearm safety.

I am sad we disagree. But he is not disagreeing just with those of us who are opposing him, he is disagreeing with the President of the United States. The President signed that bill. I do not remember objection being raised at the time. The President sent up to us again the same provision that prevents the destruction of these rifles and will require us to continue to store them and hire people to watch them and to guard them.

The consequences of the amendment of the Senator will not be to prevent a giveaway, it will be to require the taxpayers to continue to pay for functions that can be supported by this corporation. And I did support the corporation when it was included in the Department of Defense authorization bill for 1996. And so did the President of the United States. I thought we had found a logical compromise to avoid the annual fight we have had over this program, to try to teach young people how to conduct themselves and how to handle rifles and firearms safely.

I still think it is a good function. I am disturbed the Senator from New Jersey apparently links all of the State militias into the problems that have occurred with regard to two or three groups that call themselves militias. Particularly Western States have militias. My State has a militia of necessity because of the number of disasters we have. I saw them last year at the large, Kenai Peninsula flood area. They were down there volunteering. They came in and they helped everybody who was suffering because of that disastrous flood. They are helping, this year, the people involved in the fire area.

I do not know why people have to attack a legitimate function of State government in order to try to make a point there are some people who go off the deep end, as far as the use of firearms. We join with others who are trying to correct that. But this amendment is not going to correct that. This amendment will take us back to the fight, what do we do with the rifles and guns? Even the President of the United States says none of the money in the bills—we are going to appropriate funds for the Department—can be used to in any way demilitarize them or dispose of them or destroy them.

I believe the concept of this corporation is a good one. It basically gives us the ongoing funding by taking those firearms that are no longer necessary for defense purposes and makes them available for sale to gun collectors and others who want them or could use them.

Many of us who are hunters still use .30 caliber weapons. My hunting rifle is a .30 caliber. I do not see any reason why that ammunition should be destroyed when it can be used by those of us who still have those guns. We are not using them in criminal ways. We are using them for our hunting activities, and I believe that ammunition should be available.

The corporation will make it available for distribution and will use the income from that to offset the $850,000 we have been spending annually to conduct the national rifle matches and will use the income to continue the concept of these educational processes to teach our young people how to use rifles, how to use firearms safely.

Sure, they have access to our military bases for that purpose. That is where the safe ranges are. I wonder where the Senator from New Jersey thinks in his State the safe firearms ranges are?

I have a whole list of things here—I do not know if anybody read them—that people from New Jersey have said about the Senator's amendment. I do not think it is quite fair to quote his constituents to him. He can talk to them himself.

Clearly, they have access to those military bases for the purpose of rifle practice and to teach safety classes, and I think that is a good idea. I do not think there is anyone better qualified to teach our young people how to handle firearms safely than people who are in the military. I do not think there is any safer place to have them learn than on a military base where we have a range that is operated under all sorts of conditions that protect the safety of all concerned. I am sure the Senator did as I did; he learned to shoot on a range on a military base.

Mr. LAUTENBERG. In uniform.

Mr. STEVENS. In uniform. A lot of these kids are not going to be in uniform now, thanks to those of us who did away with the draft. They are going to have to learn how to shoot guns, and if they are going to learn, they ought to learn right from military people on military bases where safety is taught first.

The first two times I went to the range in the military, we did nothing but what we called ''dry firing.'' We learned how to handle those guns safely. That is what goes on on those bases, and I think it is right.

I sincerely oppose the Senator's amendment. I call his attention to this provision. I assume when we get to the Defense Department appropriations bill, that the Senator will try to take this provision out. But I remind the Senate, it was sent to us by the President of the United States. It says that none of the funds that we make available to the Department of Defense can be used to demilitarize or dispose of these weapons that he now opposes we transfer to this corporation for purposes of supporting a legitimate educational program on how to handle firearms safely.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, whenever one has an opportunity to engage in a debate with the distinguished Senator from Alaska, one always knows that the citizens of Alaska have justly deserved the reputation for being focused on their mission and let no holds bar them from their purpose—and with respect and admiration, by the way. I enjoy my moments of conversation, sometimes a tiff, as we might call it, with the Senator from Alaska. I will tell you, he is never at a loss for words and thoughts, and I respect him.

In this case, the Senator happens to be wrong. The situation, as the Senator describes it, I think, extends my remarks just a little bit.

Yes, I know the President signed the defense bill after having vetoed it once, and, after having another bill put in front of him, he signed it last year. I assume the President carefully studied it, his people studied it, and he signed a bill that, like all pieces of legislation, some are excellent through and through and some have problems with them, but on balance you say, ''OK, this bill is good enough that I have to swallow hard and take some things.''

The Senator from Alaska knows very well that there is rarely a piece of legislation that is exempt from amendment, review, rewriting or otherwise.

That is life around here. So simply because it was in the defense bill at one point does not make it right. Now that we have had a chance—one solid year—to examine the weaknesses of that bill, this is one that stands out sharply in my mind.

When I talk about access to military bases—the Senator is gone—but Fort Monmouth in my State still exists because one of the things I worked hard to do was to make sure this prime facility continued to operate. Fort Dix in my State has some marginal operations. McGuire Air Force Base. We have military bases that are important in our society and important in our culture. But access to the base does not mean you can run in any time, go anyplace you want without typically some specific purpose. If you are there for rifle practice or target practice, so be it.

What I was quoting was a person from the Michigan Militia who said, ''I have access any time I want to Camp Grayling.'' That is the kind of access I do not think ought be available. These are places, after all, that have dangerous materials and information that ought not to be accessible to someone without the right to look at it.

Madam President, in short and in long, I think that we have examined this question thoroughly. The distinguished Senator from New Hampshire talked privately with me about coming to an agreement so we can end the discussion now and take up the vote at a later time. If the Senator from New Hampshire wants to propose it, I certainly would like to hear him and see if we can arrive at a point in this discussion where we can terminate for a moment.

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, while the Senator from New Jersey gets a chance to review the unanimous-consent request, I want to make a couple of points in response, very briefly, to some of the points that were made in this debate.

The Senator from New Jersey and the Senator from California, when she was on the floor, argued about the value of these guns, the M–1. Both Senators advocate that these rifles be destroyed.

You want to remember that in this program, rifle sales are only a part of the program and the program is about safety, it is about competitive sport shooting, it is about instruction. But the thing that fascinates me is how can one argue that the rifle should be destroyed on the one hand and, if they are destroyed, then the value is zero; yet, on the other hand complain that they are being sold?

If I have a $10,000 porcelain artifact that an antique dealer would buy from me for $10,000 and I pick it up and I throw it to the floor and break it, I do not have anything of value. I think that is really what this debate is about. The taxpayers bought these rifles at one point for our military, and now we are hearing complaints when the taxpayers have the opportunity to buy them again.

A couple more quick points. On the question about what stops the militia from participating, the law stops the militia from participating. They cannot participate, they cannot buy an M–1 if they advocate the overthrow of the U.S. Government. No group like that can get those. There is a background check on all the people. It must be a certified program. There is a waiting period of 10 to 15 months. They are fingerprinted, and no felon can purchase these. Again, this is excess inventory.

This is surplus. It is obsolete. These weapons are surplus, obsolete. They are of no use to the military. They are excess, therefore, the Government, in all types of excess materials, disposes of them. How do you advocate destroying $76 million in taxpayer assets if they do not have value, are without value to the taxpayers?

This business about military access, militia access, and Camp Grayling, that does not have anything to do with this program. CMP is a very tightly controlled program. As a matter of fact, those people were thrown out who tried to get into Camp Grayling. U.S. citizen access to military installations is another issue.

Mr. THURMOND. Madam President, I am concerned that the amendment offered by the Senator from New Jersey is based on assertions and conclusions that do not appear to be based in fact. I am also concerned that adoption of this amendment would require the Department of Defense to divert millions of dollars from the training and maintenance of our Armed Forces.

Congress developed an approach to transition the Civilian Marksmanship Program from a semifunded Federal program that had required an annual appropriation of approximately $2.5 million to a private, nonprofit Corporation. The transition plan was contained in the National Defense Authorization Act for Fiscal Year 1996, which the President signed into law. The plan was completed in full partnership with the Department of the Army.

According to police officers in the State of New Jersey, who are in charge of Police Athletic League clubs, the program is strongly supported by parents, the local schools, and the community. It is highly effective in teaching young people about safety, respect for firearms, competition, and teamwork. There are no incidents of crime or violence associated with club members. The firsthand experience and judgment of police officers and others who understand this program are significantly different from the opinions of the sponsor of this amendment.

The program serves as a primary feeder for the U.S. Olympic Team and international competitors. More than 1,100 organizations in all 50 States use this program to develop responsibility, discipline, and sportsmanship in our youth. These organizations include Police Athletic Leagues, schools, and churches, and numerous youth groups such as the Future Farmers of America, 4–H, the Boy Scouts, and Law Enforcement Explorers. It is also an effective recruiting mechanism for the Armed Forces.

The Corporation is a self-financing program. It will be used by almost half a million citizens, at no cost to taxpayers. The amendment appears to require that the program be self-financing, but its language actually terminates the program. Since the program will be self-financing, the amendment is unnecessary.

The enacted legislation states that the ''Corporation shall not be considered to be a department, agency, or instrumentality of the Federal Government.'' Rather than expend public funds, the program will save the Government millions of dollars that would have to be spent to store and demilitarize obsolete firearms.

The assertion that these firearms represent a $76 million asset is not correct. In fact, they are a liability to the taxpayers, because they are obsolete, surplus, and have no current military value.

This program is about rifles, not handguns. A citizen who satisfies all the provisions of current law for purchasing a firearm, completes a background check, and undergoes a formal training program may purchase an obsolete M–1 rifle through the Corporation.

The requirements to purchase an M–1 rifle are the most rigid in the United States. They are set out in legislation. The waiting time for a purchaser to receive an M–1, after paying for the rifle and meeting all the program requirements, is between 10 and 15 months.

The inventory of surplus firearms is not transferred to the Corporation. No firearm will be transferred to the Corporation unless an affiliated club or individual has met the criteria for transfer.

There is no record of any crime ever having been committed with a firearm purchased through the program. The legislation explicitly prohibits both participation in the program and the sale of firearms to convicted felons and individuals who advocate the overthrow of the Government. There is no evidence of any subversive or so-called militia group ever having acquired these firearms. They are hardly state of the art; they are basically suitable for marksmanship training, competitive sport marksmanship, and as collector items.

The National Rifle Association has no role in the Corporation.

The legislation to which the Senator now objects was not slipped into the Defense authorization. Both the House and Senate bills contained provisions that transitioned the program. The provisions are clearly labeled in a separate title of the act. The Senator raised

no objection when this matter was considered last year.

The Committee on Armed Services has not had the opportunity to consider the Senator's amendment because it was submitted as a freestanding bill after the committee had completed its markup. Our initial analysis indicates that the Government would incur millions of dollars in additional costs if the amendment were adopted.

Mr. SMITH. Madam President, if there are no other Senators who wish to debate at this point, I ask unanimous consent that the Lautenberg amendment be temporarily set aside, and that at the hour of 3:25 today the Senate resume consideration of the amendment, and there be an additional 5 minutes equally divided for debate, prior to Senator CRAIG or his designee being recognized in order to make a motion to table the Lautenberg amendment and, further, that no second-degree amendments be in order prior to the vote on the tabling motion.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SMITH. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SMITH. Madam President, I ask unanimous consent that the quorum call be dispensed with.

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

Mr. SMITH. Madam President, I want to take this opportunity, since there is no one here offering amendments, to make a few remarks in support of this defense authorization bill as reported by the Senate Armed Services Committee.

I want to certainly commend my leader on the committee, Senator THURMOND, for his outstanding leadership in formulating this legislation. The committee conducted an abbreviated but thorough investigation of our defense requirements, examination of our defense requirements, and formulated what I believe to be an excellent blueprint for defense spending. The Senator from South Carolina deserves great credit for his leadership and invaluable contribution, and his diligence and hard work, on behalf of the defense of the United States of America and in the Armed Services.

I want to take this opportunity to pay tribute also to the distinguished ranking member, Senator NUNN. Senator NUNN has served on this committee for 23 years with great distinction. He has been seen on both the majority and the minority sides of the table—probably prefers the majority side. He served as the full committee chairman, as well, at a very critical time in our Nation's history regarding defense matters. Throughout the 6 years that I have been privileged to serve with Senator NUNN, he has always sought to promote the national security of our Nation and the well-being of our men and women in uniform. He has always shown great consideration for me, especially when I first came to that committee. I was a very junior member, sitting down at the end of the table in the minority.

Mr. NUNN. I thank the Senator. We enjoy very much the Senator being on the committee. I thank him very kindly.

Mr. SMITH. As the Senator leaves this institution later this year to pursue other interests, I want to take this opportunity, while I have it, while he is here, to thank him for his service to our Nation and certainly for his kind attention to me as both a majority and a minority member.

Madam President, the bill before us provides a much needed increase of about $11 billion to the President's original budget request. I want to emphasize that this is still well below this year's funding level when adjusted for inflation. Since 1985, national defense funding has declined by 41 percent in real terms. Let me say that again, particularly for those who complain we are spending too much. Since 1985, the defense spending has fallen 41 percent. That is 11 straight years of decline, real decline.

There are a variety of very important initiatives contained in this bill that I want to briefly highlight. They include, first and foremost, the 3-percent pay raise and a 4-percent increase in the basic allowance for quarters to our military men and women. We forget that every day, 24 hours a day, our Armed Forces are out there protecting us, serving our country.

We found out this week how important that is and what sacrifice that calls for. If one were to look at the pay scale of those young men and women who were involved in that incident in Saudi Arabia, it is not a lot of money to risk their lives for. But they did not do it for money, and we all know that. So I am proud to support that pay raise, that 3-percent pay raise and that 4-percent increase in the basic allowance for quarters because these people give their all; sometimes they truly give their all.

There is also $1.2 billion of additional readiness funding for the unfunded requirements of the service chiefs. There is an increase of $170 million for the cruise missile defense programs, including $40 billion for the Patriot ACM Program; legislation and funding to conduct competitive evaluations of promising laser programs. Antisubmarine warfare programs are also in this bill.

There is an increase of $134 million to buy additional night vision goggles, thermal weapons sights and aiming lights to enhance Army and Marine Corps night-fighting capabilities.

There is service funding and direction for the Navy to upgrade the effective jamming capabilities of the EA–6B also there, and a $700 million increase in military construction to enhance the quality of life of our troops and their families, and to improve readiness.

On that point, Madam President, it is often forgotten—we talk about the big things, the submarines and the ships, the aircraft carriers and the airplanes and the missiles and missile defense. These are the big-ticket items, so to speak, that we find in the defense budget. But we had testimony earlier this year from the Commandant of the Marine Corps saying that at times he had leaky tents, sleeping bags that were falling apart, clothing that was not enough to keep the soldiers warm.

These are the kinds of things that we overlook. When you put a soldier or sailor in a position like that, out there defending America, literally putting their lives on the line, they deserve the best we can provide them. I think we cannot overlook how important these so-called basics are. If you are out there in that tent and it is leaking and you are soaking wet, it is very basic to you.

There is no excuse for ever allowing that to happen to our Armed Forces. So any time we can provide dollars in there—that is not glamorous. It does not get a lot of attention. And sometimes it is overlooked because it is not a glamour item. I am proud to support increases in funding in that area.

Additionally, Madam President, the bill includes a number of important initiatives relating to ballistic missile defense, and it authorizes nearly $900 million in increased spending along the following lines: National missile defense, Navy Upper Tier Program, and the Theater High Altitude Area Defense Program as well, $134 million for a space and missile tracking system, and $50 million for the joint Israel-United States laser program known as Nautilus.

This national missile defense program is so important, and we have had to fight, fight, fight, on the Senate floor even to get language, let alone dollars, for national missile defense. We have no defense against ballistic missiles. None. We cannot defend ourselves against an Iraqi, Iranian, North Korean, or Libyan missile. We need to be promoting this national defense program. A lot of people do not realize that. They say, ''What about the Patriot missile during the Persian Gulf?'' That was not designed to take out incoming missiles like the Scuds. We were able to do that. We were able to use improvisations on the Patriot and get it done, but we are not able to stop a ballistic missile.

I am troubled by the administration's failure to comply with the law on missile defense. We tried to address it here last year in language and this year in language. We had to resort to writing a separate bill.

The Congress has established very clear, firm schedules for the development and deployment of theater missile defenses in the fiscal year 1996 authorization bill. The President signed

the legislation and never once complained about the schedule. In fact, for 3 years, the Clinton administration has stated that theater defense was their No. 1 priority. We are talking theater defense, not national defense. Yet in its budget submittal, the administration ignored the law and underfunded, I believe deliberately, the most important theater missile defense programs —THAAD and the Navy upper tier.

Consequently, under the administration plan, our troops are vulnerable to hostile missile threats for as much as 4 or 5 years longer than mandated into law. This is simply unacceptable. We had a terrible tragedy this week in Saudi Arabia. It was terrible. It was a terrorist act. But that terrorist attack could very well have come from a missile, from a theater missile, as well. We have a lot of threats out there. It is not the cold war anymore, but we have a lot of threats. We have to be prepared to adapt to these threats.

The bill codifies the so-called demonstrated capability standard for theater defense as a formal U.S. compliance policy. This action specifically mirrors the criteria proposed by the Clinton administration in Geneva 2 years ago. It is a responsible and appropriate standard, Madam President, and its codification in law supports the administration's position. I am pleased to be able to support the administration on this issue.

As chairman of the Subcommittee on Acquisition and Technology, I want to speak just briefly on some initiatives included in the jurisdiction of my own subcommittee. Our review of the budget request highlighted a continuing trend within the administration of shortchanging investments in technology, development, and modernization in order to provide near-term relief for readiness. This is simply unacceptable. When you take dollars from the programs of the future to put them in some activity that you are conducting today, you are going to shortchange the troops of the future. We should be doing both. That is the truth. We should not be shortchanging the troops in the field. We should not shortchange the troops in the field of the future. That is where the technology and investment now in these technology programs is so important. Certainly today's readiness is important, but modernization is the key to long-term readiness.

If people in the 1950's and 1960's in the Pentagon had not been farsighted enough to come up with the weapons that we used in the Persian Gulf, the price of oil would be a lot higher today and the outcome of that war could very well have been different. In order to have the weapons of the future, you have to invest today.

The acquisition and technology section of the bill emphasizes three main concepts. First, it encourages more innovative thinking in the area of emerging operational concepts, and, in particular, the bill supports the Marine Corps' Sea Dragon and the Army's Force 21 initiatives, which seek to leverage technology to change the nature of warfare. It is the futuristic things that we are looking at here. What is war going to be like 10, 15, or 20 years down the road? Will we be ready to help the soldier, sailor, marine, air man or woman in the field? What will it be like 20 years from now? You need to have your think tanks and the best minds in the services out there trying to get a handle on that, looking at what that technology may be and begin to fund it. The bill seeks to reward, not discourage—reward—more innovation, to challenge the services to question traditional doctrine. Do not just do it tomorrow because we did it yesterday. Challenge the services to question this doctrine and to develop new strategies and tactics that leverage the revolutionary capabilities that technology now provides.

I emphasize the word ''revolutionize.'' Sometimes we get evolutionary in our approach to things rather than revolutionary. I use the example of the Hubble telescope. That was a revolutionary item because it allowed us to see out into deep space things we have never seen before. That was revolutionary. Those are the kinds of breaks with the past, breaks with the present, futuristic approaches that we need to encourage. That is what we have tried to do in this committee. We are a $9 billion budget out of a $262 billion budget, but we tried to make the best of what we had.

The second priority is the increased use of commercial technologies by the services. The bill provides a significant beginning for dual-use, cost-shared programs in the services, as well as a portion of the dual-use program in the budget requests. The key to integrating more commercial practices into the acquisition framework is not simply to spend more money on some stand-alone program, but rather to make commercial practices and products part of the core service acquisition so this is routine rather than an exception. There may be dual use between commercial and military.

Third, the bill focuses on an affordability initiative to lower cost and increase the purchasing power of our limited defense dollars. The bill increases funding for manufacturing technology programs of the Navy and the Air Force and funds a variety of initiatives to improve the affordability of future weapons systems.

Madam President, since he is on the floor, I take a moment—Senator COHEN, my colleague from Maine, regarding his information in the information technology area on last year's acquisition reform legislation, this is the kind of forward looking that the defense community needs, and the committee is fortunate to have benefited from Senator COHEN's foresight and acquisition reform. Although he is not chairing the subcommittee, his input has been greatly appreciated by me and it has been a pleasure to work with him on these issues. We will certainly miss him on the committee next year.

Let me close, Madam President, with just some brief comments on a couple of other observations. We know this is an election year. We know that Members on both sides of the aisle are seeking sometimes to gain political advantage by delaying, obstructing or amending legislation that is brought up on the floor. Unfortunately, this is the case with this bill. This is not a partisan issue. The defense of America is not a partisan issue. How could one of us with these dilatory amendments and tactics look the families of those people in Saudi Arabia who lost their lives, look those families in the eye and say we ought to be out here debating something about vitamins or something on the floor of the Senate while we are trying to pass a defense authorization bill. It is wrong. It is wrong. We can do it. It is a misguided notion, Madam President, to take these kinds of things on the floor of the Senate during the Armed Forces debate, the debate on the moneys we use to fund our national defense.

Providing for the common defense is a constitutional responsibility, probably the most important one we have. It should not be a political hot potato. It should not be a time to talk about minimum wage or vitamins or something else. That is not appropriate. You can do it, and it is within the rules, but it is not appropriate.

The bill before us was reported out of the Armed Services Committee unanimously, 20–0. There was no dissent. Yet, it is being delayed here on the floor. The reason I am speaking now is because nobody is down here to offer amendments so that we can finish this bill. That should indicate to my colleagues the degree to which Senator THURMOND and members of this committee have worked to formulate a balanced, responsible, and nonpartisan defense bill. It is not easy. We lose sometimes, we give in a little bit sometimes. We all do, and we do not like it. We like to get our own way all of the time, but we understand that getting a good bill to support our men and women in the armed services, with the weapons they need, the clothing they need, O&M funds, operations and maintenance funds, they need—these are critical.

Now, we are certainly sure that there are items in this legislation that some may oppose, but that is the nature of the legislative process. We ought to do it. If they are germane, let us have the amendments. That is the nature of the constitutional separation of powers. We have research, we discuss and debate and find common ground, and, when necessary, we vote to resolve issues. That is the way the Framers intended it, and that is democracy. It is not intended to be a polarizing bill, to draw political lines in the sand. It should not be about gun control. Yet, here we are talking about gun control.

This leadership has decided to address controversial issues, such as missile defense and U.N. command and control, through separate legislation. We did it deliberately, not because we wanted to, but because we did not want to deny a 3-percent pay raise to our military and deny this bill.

So the bill before us is designed to foster consensus, to promote the national security objectives of the United States of America. Let us maintain a spirit of cooperation and avoid the temptation to engage in election year demagoguery and negativism, which everybody is sick of.

This is for the defense of the United States of America. Kids were killed this week defending our country. We owe it to them to pass this bill. We should have passed it days ago. Let us pass it today in honor of them and stop this bickering with nongermane, unessential items. The national security of this Nation is too important for this kind of stuff.

I will conclude by thanking the chairman, Senator THURMOND, who is on the floor, and the ranking member, for their service. I am proud to serve with them. I am proud to be a part of this committee, and I will be proud to support and vote for this bill.

Mr. THURMOND. Mr. President, I want to thank the able Senator from New Hampshire for the kind words that he said about me as chairman of the Armed Services Committee. The Senator from New Hampshire is a member of the Armed Services Committee and renders a valuable service to our Nation. He stands for a strong defense, which is essential to the survival of this Nation. I just wish we had more citizens in this Nation that feel as he does about the importance of maintaining a strong defense.

I compliment him not only for his integrity and dedication, but his vision in realizing the importance of a strong national defense. We are very proud to have him as a member of the Armed Services Committee.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. President, I understand that under the rules and under the unanimous consent agreement, we have about 10 minutes here of general debate, during which amendments can be offered, and then there are 5 minutes to be debated on the amendment that is pending, with a vote at 3:30; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. GREGG. I note that the Senator from Maine and the Senator from Arizona are here. I have an amendment which I wish to offer. I suspect they have a colloquy they want to pursue.

I ask unanimous consent that after we return and complete the vote at 3:30, that I be allowed the floor to offer my amendment.

The PRESIDING OFFICER. To clarify for the Senator from New Hampshire, the vote to be taken at 3:30 is a motion to table the Lautenberg amendment. Should the motion to table fail, then the Lautenberg amendment would be the pending business.

Mr. GREGG. I simply ask unanimous consent that I be allowed to proceed after the regular order has been completed on that vote.

The PRESIDING OFFICER. Is there objection?

Mr. NUNN. Reserving the right to object, I was off the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. GREGG. No.

Mr. NUNN. I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT NO. 4364

(Purpose: To amend chapter 83 of title 5, United States Code, to provide for the forfeiture of retirement benefits in the case of any Member of Congress, congressional employee, or Federal justice or judge, who is convicted of an offense relating to the official duties of that individual, and for the forfeiture of the retirement allowance of the President for such a conviction)

Mr. GREGG. 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 New Hampshire [Mr. GREGG], for himself and Mr. REID, proposes an amendment numbered 4364.

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

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

The amendment is as follows:

In the appropriate place in S. 1745, insert the following new section:

SEC. ___. CONGRESSIONAL, PRESIDENTIAL, AND JUDICIAL PENSION FORFEITURE.

(a) SHORT TITLE.—This section may be cited as the ''Congressional, Presidential, and Judicial Pension Forfeiture Act''.

(b) CONVICTION OF CERTAIN OFFENSES.—

(1) IN GENERAL.—Section 8312(a) of title 5, United States Code, is amended—

(A) by striking ''or'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting ''; or'';

(C) by adding after paragraph (2) the following new paragraph:

''(3) is convicted of an offense named by subsection (d), to the extent provided by that subsection.'';

(D) by striking ''and'' at the end of subparagraph (A);

(E) by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(F) by adding after subparagraph (B) the following new subparagraph:

''(C) with respect to the offenses named by subsection (d) of this section, to the period after the date of the conviction.''.

(2) IDENTIFICATION OF OFFENSES.—Section 8312 of title 5, United States Code, is amended—

(A) by redesignating subsection (d) as subsection (e); and

(B) by inserting after subsection (c) the following new subsection:

''(d)(1) The offenses under paragraph (2) are the offenses to which subsection (a) of this section applies, but only if—

''(A) the individual is convicted of such offense committed after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act;

''(B) the individual was a Member of Congress (including the Vice President), a congressional employee, or a Federal justice or judge at the time of committing the offense; and

''(C) the offense is punishable by imprisonment for more than 1 year.

''(2) The offenses under this paragraph are as follows:

''(A) An offense within the purview of—

''(i) section 201 of title 18 (bribery of public officials and witnesses);

''(ii) section 203 of title 18 (compensation to Members of Congress, officers, and others in matters affecting the Government);

''(iii) section 204 of title 18 (practice in United States Court of Federal Claims or the United States Court of Appeals for the Federal Circuit by Members of Congress);

''(iv) section 219 of title 18 (officers and employees acting as agents of foreign principals);

''(v) section 286 of title 18 (conspiracy to defraud the Government with respect to claims);

''(vi) section 287 of title 18 (false, fictitious, or fraudulent claims);

''(vii) section 371 of title 18 (conspiracy to commit offense or to defraud the United States;

''(viii) section 597 of title 18 (expenditures to influence voting);

''(ix) section 599 of title 18 (promise of appointment by candidate);

''(x) section 602 of title 18 (solicitation of political contributions);

''(xi) section 606 of title 18 (intimidation to secure political contributions);

''(xii) section 607 of title 18 (place of solicitation);

''(xiii) section 641 of title 18 (public money, property or records); or

''(xiv) section 1001 of title 18 (statements or entries generally).

''(B) Perjury committed under the statutes of the United States in falsely denying the commission of an act which constitutes an offense within the purview of a statute named by subparagraph (A).

''(C) Subornation of perjury committed in connection with the false denial of another individual as specified by subparagraph (B).''.

(c) ABSENCE FROM THE UNITED STATES TO AVOID PROSECUTION.—

(1) IN GENERAL.—Section 8313 of title 5, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

''(b) An individual, or his survivor or beneficiary, may not be paid annuity or retired pay on the basis of the service of the individual which is creditable toward the annuity or retired pay, subject to the exceptions in section 8311 (2) and (3) of this title, if the individual—

''(1) is under indictment, after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act, for an offense named by section 8312(d)(2) of this title, but only if such offense satisfies section 8312(d)(1)(C) of this title;

''(2) willfully remains outside the United States, or its territories and possessions including the Commonwealth of Puerto Rico, for more than 1 year with knowledge of the indictment or charges, as the case may be; and

''(3) is an individual described in section 8312(d)(1)(B).''.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 8313 of title 5, United States

Code (as redesignated under paragraph (1)(A)) is amended by inserting ''or (b)'' after ''subsection (a)''.

(d) REFUND OF CONTRIBUTIONS AND DEPOSITS.—

Section 8316(b) of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; or''; and

(3) by adding at the end the following new paragraph:

''(3) if the individual was convicted of an offense named by section 8312(d) of this title, for the period after the conviction of the violation.''.

(e) FORFEITURE OF PRESIDENTIAL ALLOWANCE.—Subsection (a) of the first section of the Act entitled ''An Act to provide retirement, clerical assistance, and free mailing privileges to former Presidents of the United States, and for other purposes'', approved August 25, 1958 (Public Law 85–745; 72 Stat. 838; 3 U.S.C. 102 note) is amended—

(1) by striking ''Each former President'' and inserting ''(1) Subject to paragraph (2), each former President''; and

(2) by inserting at the end the following new paragraph:

''(2) The allowance payable to an individual under paragraph (1) shall be forfeited if—

''(A) the individual is convicted of an offense described under section 8312(d)(2) of title 5, United States Code, committed after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act;

''(B) such individual committed such offense during the individual's term of office as President; and

''(C) the offense is punishable by imprisonment for more than 1 year.''.

Mr. GREGG. Mr. President, I again propound my unanimous consent request. I would be willing to proceed with this amendment after the regular order on the amendment, which is going to be voted on at 3:30, is pursued, so that the Senator from Maine and the Senator from New Mexico could proceed, with the understanding that I would bring the first amendment up at the conclusion of that regular order.

Mr. NUNN. Mr. President, I will have to object.

The PRESIDING OFFICER. Objection is heard. The Senator from New Hampshire has the floor. The Senator from New Hampshire is advised that, under the previous agreement, at 4 o'clock we are to take up the PRYOR amendment.

Mr. GREGG. At 3:25?

The PRESIDING OFFICER. At 3:25, we have the amendment by the Senator from New Jersey. At 4 o'clock, we have the amendment by the Senator from Arkansas.

Mr. GREGG. Fine. After that, we will be on my amendment.

I wish to proceed on my amendment. I understand I have 10 minutes to discuss this amendment at this time. This amendment is supported by myself and Senator REID of Nevada, and Senator BRYAN of Nevada and Senator NICKLES are also original cosponsors of this bill as introduced.

This goes to the issue and the fact that a large number of—unfortunately, 34—Members of Congress over the last century have been convicted of felonies, which is obviously a serious act. Some of these individuals were convicted of felonies that involve a violation of the public trust.

Under the laws of this country, in certain instances when the public trust is violated, Members of Congress who are convicted felons for doing that lose their pensions—or at least the public part of their pension, that which is supported by the taxpayers. Unfortunately, it does not apply to all actions that involve violation of the public trust.

For example, somebody could be convicted of bribery, of a conflict of interest, of defrauding or conspiring to defraud the United States, of theft or embezzlement of Government property, false or fraudulent statements to the Government, perjury, insubordination in actions relative to their duties as a Member of Congress and, still, while serving time for a conviction, receive pension benefits, which is rather ironic and clearly inappropriate.

So this amendment simply expands those areas of the present law which terminates pension benefits for people who are convicted of crimes while serving in the Congress and when those crimes are directly related to their service.

It means that, for example—I will use a hypothetical—a person convicted of a crime in recent times, who is receiving a pension from the Federal Government of over $70,000, would no longer be able to receive that part of that pension, which is basically a public tax contribution. That person would still receive the pension, to the extent that they contributed to it. They would get their money back, under the usual course of law, but they would not get the additional benefit of having the taxpayers support them—actually, in many instances, while they are still in jail with these pension benefits.

This is an issue which is timely, and it is important that we act on it in a timely manner. That is why I offered it on this bill, even though it is not directly related to defense matters, although it would obviously impact a defense individual who committed this sort of action.

I would yield at this time to the Senator from Nevada for any comments he might have.

Mr. REID. I appreciate that very much.

The PRESIDING OFFICER. Without objection, the Senator from Nevada is recognized.

Mr. REID. Mr. President, I first of all want to express my appreciation to the Senator from New Hampshire for his leadership on this issue. He and I started working on this matter in May of this year, and it is an important issue. It is something that I think is important because this is an issue where we can go forward on a bipartisan basis.

Joining us initially on this legislation was the Chairman of the Republican Policy Committee, Senator NICKLES. Senator NICKLES, Chairman of the Republican Policy Committee, and I have a similar job on the Democratic side. We do our partisan things in this body. But there are certain things that we have to express to the American public in a bipartisan fashion, and this is one of them.

It is simply wrong for people who are convicted of felonies —especially felonies related to their jobs; that is, being Members of Congress, and then they resign and draw these hefty pensions. They are convicted of crimes and draw these hefty pensions that are congressional pensions paid for by the taxpayers. And that is simply wrong.

So I publicly express my appreciation for the leadership of the Senator from New Hampshire on this issue and our friend, the majority whip.

I also want to extend my appreciation to my junior colleague, the Senator from Nevada, who is also extremely interested in this issue.

Mr. President, you cannot reward public officials who have engaged in wrongdoing, and, I repeat, especially wrongdoing connected with their jobs even though this legislation draws no distinction between a felony that comes about as a result of working in the Congress or a wrong where you just do something wrong generally.

You do not have to be a Democrat or a Republican to reach this conclusion. This is a problem that is seriously undermining the public's confidence in Federal officials generally. It is my understanding—I see here on the floor the senior member of the appropriations committee and the chairman of the Governmental Operations Committee. I hope that the Senator from Alaska, if I could just get his attention for a second, would be willing to hold a hearing quickly on this issue. I think it is necessary that it be done no matter what happens on this issue.

As I indicated to the body earlier, we joined forces in May, and introduced the Congressional, Judicial, and Presidential Forfeiture Act. This legislation will not apply only to the legislative branch of Government. It should apply the same to the executive branch of Government and the judicial branch of Government.

As a Member of this body, I sat on impeachment committees. I have voted for impeachment. I think it also should apply to Federal judges. We have Federal judges who are convicted of felonies. They should not be able to draw their taxpayer driven pension.

So this legislation, the Congressional, Judicial, and Presidential Forfeiture Act, should apply to all aspects of Government. Our legislation now before this body in the form of an amendment will help to restore trust in Government.

Mr. President, I express my appreciation to my friend for yielding, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. REID. I suggest the absence of a quorum.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. There does not appear to be a sufficient second.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue calling the roll.

The bill clerk continued with the call of the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the quorum call——

Mr. REID. I object.

The PRESIDING OFFICER. There is objection.

The bill clerk continued with the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 4364, WITHDRAWN

Mr. STEVENS. Mr. President, I have conferred with the sponsors of this bill—it is a bill, a separate bill—that has been referred to the Governmental Affairs Committee. It is a matter on which we are seeking the advice of many people in this country as to how it would affect the pension systems not only of our governmental employees but also of those in the private sector. As I have said to the two Senators, whatever we do in this area has generally been followed in the private sector after we have taken a new course with regard to pensions.

I have committed to the Senators, I am pleased to say, Senator GREGG, who is the principal sponsor, and Senator REID, cosponsor of the bill, that we will have a hearing and we will get the opinions of these people as quickly as possible. If we can get to the place where we can reach a conclusion in time to consider it at the time the legislative appropriations bill comes up, I will be pleased to assist in that regard. But I do think we have to have time to see how this is going to affect those people who rely on the pension systems. I am thinking of widows and spouses of those who might be incarcerated and how it is going to happen that we follow this process and what happens to the economy if they do not have the money they have earned in the past through the retirement systems.

So I commit that we will hold that hearing as quickly as possible when we come back and work with them. I do applaud what they are doing. I do not disagree. There are provisions already in Federal law that authorize the forfeiture of benefits such as this in the event of conviction. I am not disputing the fact that there could well be additions to that. But I only ask that we be allowed to know what is the impact.

There is, I understand, a rollcall vote scheduled now I am taking time on, but I would urge the gentlemen to withdraw this, we hold the hearing and come back to the floor at a later time in this Congress.

Mr. REID. Will the Senator yield?

Mr. STEVENS. If I am able to, I will.

Mr. GREGG. Will the Senator yield for a question?

Mr. STEVENS. I just said I would yield to the Senator from Nevada.

Mr. REID. I say to the distinguished Senator from Alaska, I serve on the Appropriations Committee. The Senator is chairman of the Governmental Operations Committee. I think it is appropriate that we have some hearings or his staff does some detailed study of this before we go forward. So I take the Senator's word as his bond, as everyone does here, and on behalf of Senator JUDD GREGG I would be happy to withdraw the amendment, in fact, if the Senator from New Hampshire is willing to do so.

Mr. STEVENS. Does the Senator from New Hampshire wish me to yield?

Mr. GREGG. It is my understanding the Senator hopes to proceed with these hearings as soon as possible?

Mr. STEVENS. I will find some time in July, if we need to hold the hearing on Saturday, Mr. President.

Mr. GREGG. I thank the Senator for his courtesy and ask the amendment be withdrawn.

Mr. REID. I withdraw the request for the yeas and nays on the amendment.

The PRESIDING OFFICER. The Senator may withdraw his amendment. The yeas and nays have not been ordered.

The amendment (No. 4364) was withdrawn.

AMENDMENT NO. 4218

The PRESIDING OFFICER. Under the previous order, the Senate will now continue the consideration of the amendment offered by the Senator from New Jersey for a period of 5 minutes.

Mr. SMITH. Mr. President, I ask unanimous consent that a letter from the adjutant general of Michigan and a memorandum from the Camp Grayling Training Site Manager, Lt. Col. Gary J. McConnell, be printed in the RECORD.

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

DEPARTMENT OF MILITARY AFFAIRS,
Lansing, MI, April 25, 1995.

Hon. VIRGIL C. SMITH,
Detroit, MI.

DEAR SENATOR SMITH: Following our conversation this morning, please be assured the Michigan National Guard has not and will not authorize members of paramilitary organizations to train at Camp Grayling, or any other military training site in Michigan. Claims made by members of any organization to the contrary are grievously misrepresenting themselves.

I have greatly appreciated the opportunity to meet with you, over the last few weeks, regarding some very important National Guard issues. You have my utmost assurance, that I will continue to provide you with the best information our department has to offer, regarding any matter confronting you. Your constituents and the people of Michigan are served by the finest men and women the National Guard has to offer.

Sincerely,

E. GORDON STUMP,
Maj Gen, MI ANG,
The Adjutant General.

DEPARTMENT OF MILITARY AFFAIRS,
Lansing, MI, May 1, 1995.

Memorandum for MG Gordon E. Stump, The Adjutant General.

Subject: Michigan Militia.

1. On 30 March, Camp Grayling received a phone call from Mr. Andy Keller. He stated he was the unit leader of a Department of Defense, Director of Civilian Marksmanship Unit No. 56132 from Caro, Michigan. Mr. Keller indicated Camp Grayling had been designated as their home range and, as such, was responsible for providing their ammunition and targets. He also indicated they had previously used Camp Perry, Ohio. A member of the Camp Grayling staff contacted the DCM Office in Washington D.C. at DSN 285–0810 on or about 3 April 1995. It was verified that DCN Unit 56132 was a Unit sanctioned by the DCM. Based upon this verification and a written request from Mr. Keller, the Unit was scheduled for range firing on 29–30 April.

2. On Friday, 28 April at approximately 1830 hours, Mr. Keller arrived at Camp Grayling in civilian clothing and checked into Camp Grayling Range Operations. On Saturday morning at 0730 hours, the group was provided the Camp Grayling Range Safety briefing, a range flag and radio. They had been assigned Range 8, an automatic pop-up target range for high powered rifles. The group occupied this range at 1011 hours.

3. The undersigned and Captain Leask, a Camp Grayling Range Officer, visited the range at approximately 1025 hours. Eleven personnel were on the range. All personnel had military BDU uniforms on and all had military rank insignia on both collars of the uniform shirt. The ranks ranged from O–6 to O–2. Mr. Keller was wearing the rank of O–5. All members also had an Identification Card attached to their right breast pocket. This card indicated Department of Defense affiliation. A copy of both sides of this Identification Card is attached as Enclosure 1.

4. Several personnel had a tape above the left breast pocket in place of the ''U.S. Army'' tag that read ''SMRM'' for Southern Michigan Regional Militia. Several members also had an insignia on their left shoulder that read ''Civilian Militia''. All other personnel had velcro attached above both breast pockets and on the left shoulder, which would allow for the attachment of name tags and shoulder insignia.

5. As the undersigned and Captain Leask walked up to the firing line, Mr. Keller approached. He was advised that there were two problems and that he would not be allowed to go ''hot'' on the range.

a. Members of his organization had uniforms on that indicated membership in the Michigan Militia. He was advised that under no circumstances would identified members of the Michigan Militia be allowed to train at Camp Grayling.

b. The wearing of officer insignia on the military uniform. All eleven personnel wore officer insignia, and as such by doing so were giving the impression of being a Federally

recognized commissioned officer. When I asked Mr. Keller how he obtained the rank of O–5, he replied, ''he was elected to this rank''.

6. Mr. Keller was again advised they would not be allowed to use the range and to return the range flag and radio to Operations. Mr. Keller stated he would file a protest with the Department of Defense, Director of Civilian Marksmanship, and he was advised by me that he should go ahead and do so. All members of this DCM Unit cooperated and pleasantly left the range and turned in range equipment.

GARY J. MCCONNELL,
LTC, EN, MI ARNG,
Training Site Manager.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. While not stipulated, I would certainly agree to dividing the 5 minutes that we have as close to evenly as possible if the Senator from Idaho wanted to say a few words, if the Chair would watch the clock.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. With that agreement, I ask that I be allowed to proceed no longer than 2½ minutes on the issue of the amendment of the Senator from New Jersey.

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

Mr. CRAIG. Mr. President, the Senator from New Jersey by his amendment is attempting to block or wipe out an action that this Senate took in 1996 in the Defense authorization bill to create the Corporation for the Promotion of Rifle Practice and Firearms Safety, and in doing so to privatize the Civilian Marksmanship Program.

As a result, the Corporation for the Promotion of Rifle Practice and Firearms Safety was created. This is a private, nonprofit, self-sustaining entity. It will have a board of directors appointed by the Secretary of the Army. The corporation will be allowed to raise money, just like any other not-for-profit association.

Of course, the intent of this organization is to instruct marksmanship, conduct national matches and competition, to award trophies, prizes, badges and insignias, and to promote the sale of firearms, ammunition, and equipment.

Under this new action, in addition, the corporation would be permitted to sell an existing 373,000 rifles and use money to fund the Civilian Marksmanship Program.

The Senator from New Jersey has for a good number of years tried to discontinue this program. The Senate clearly recognized the value of it and in so doing recognized that it probably ought not subsidize it anymore and allow it to be privatized so that it could continue in that nature.

I hope that the Senate would reject the amendment of the Senator from New Jersey and vote to table this action. We are now in the midst of organizing this Civilian Marksmanship Program as a private nonprofit. I think it ought to be allowed to move forward in that direction.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I will try to be brief. I hear references here to the fact that this organization will be self-sustaining. That is wonderful. Just give them $76 million worth of goods to start with and then from then on we are self-sustaining. It is taxpayers' money. That is what we are giving away.

The Army says it has this kind of value. The value has been disputed, the value being $76 million, which is conservative because as we have heard from the Senator from California and my personal investigation. I called a gun dealer that I know in Colorado. It may surprise some around here to know that I know a gun dealer, but I do not buy guns from him. He confirmed that an M–1 can be anywhere from $400 to $500, and so when we multiply that by 176,000 weapons, we know pretty well what kind of value we have.

Very simply, Mr. President, this is not a gun control measure. If people choose to have target practice, learn how to use rifles, practice gun safety, that is fine with me. Let them pay for it. When we send teams to the Olympics or we encourage sports, we do not pay for ping-pong paddles or ping-pong balls or tennis rackets or tennis balls or baseball bats or mitts.

That is not the Government's responsibility. This is something that ought to be discontinued. These weapons should be destroyed. They ought not to be out in the population. I hope that we will have support for our amendment.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I move to table.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Will the Senator withhold for a unanimous-consent request before we start?

Mr. President, since Senators COHEN and MCCAIN have been trying to get recognized and I had to interpose an objection before they were recognized, I ask unanimous consent that at the conclusion of this vote, the 4 o'clock order be delayed by 8 minutes, with the Senator from Maine having control of that 8 minutes for the purpose of making a statement.

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

The question is on agreeing to the motion to lay on the table the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced, yeas 71, nays 29, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—71

Abraham	Frahm	Lugar
Ashcroft	Frist	Mack
Baucus	Glenn	McCain
Bennett	Gorton	McConnell
Biden	Gramm	Murkowski
Bingaman	Grams	Nickles
Bond	Grassley	Nunn
Breaux	Gregg	Pressler
Brown	Hatch	Robb
Burns	Heflin	Rockefeller
Campbell	Helms	Roth
Coats	Hollings	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Inouye	Smith
Craig	Jeffords	Snowe
D'Amato	Johnston	Specter
Daschle	Kassebaum	Stevens
DeWine	Kempthorne	Thomas
Domenici	Kerrey	Thompson
Dorgan	Kyl	Thurmond
Exon	Leahy	Warner
Faircloth	Lieberman	Wellstone
Ford	Lott	

NAYS—29

Akaka	Feinstein	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Bryan	Hatfield	Pell
Bumpers	Kennedy	Pryor
Byrd	Kerry	Reid
Chafee	Kohl	Sarbanes
Conrad	Lautenberg	Simon
Dodd	Levin	Wyden
Feingold	Mikulski	

The motion to lay on the table the amendment (No. 4218) was agreed to.

Mr. COHEN. 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.

The PRESIDING OFFICER (Mr. THOMPSON). Under the previous order, the Senator from Maine, Senator COHEN, is recognized for 8 minutes.

BOB DOLE AND AMERICAN LEADERSHIP IN THE WORLD

Mr. COHEN. Mr. President, early this week Senator Dole delivered an important speech to the Philadelphia World Affairs Council in which he addressed the need for leadership in the 21st century.

Senator MCCAIN and I were privileged to have witnessed Senator Dole's first speech on foreign policy dealing with our relations with our Asian allies and friends. But in Philadelphia, Senator Dole called attention to our relationship with Europe, an area which, of course, by his previous service in World War II, he is infinitely familiar with. He talked about the need to call our attention back to leadership.

He said our success has not been the result of luck, but of leadership. I think he was absolutely correct in pointing out that communism and the Berlin Wall did not fall. They were demolished by a clear vision and consistent leadership.

I recall, Mr. President, that once when Mikhail Gorbachev came to the United States, he made a statement, I believe out in San Francisco, and he said: ''The cold war is over. Let's not

debate or argue about who won the war.'' That prompted a prominent columnist to observe that would be the equivalent of having Max Schmeling knocked out by Joe Louis and getting up from the canvas and saying, ''This fight is over. Let's not argue about who won the fight.'' It was worth arguing about who won the fight because of the demands placed upon the American people and their agreement to measure up to those demands itself.

Senator Dole touched on many aspects in his speech. I am going to ask unanimous consent that the full statement be included in the Record. But he noted, for example, that when the United States was focused almost exclusively on Mikhail Gorbachev, he was one who reached out to Boris Yeltsin, who at that time was being shunned by virtually everybody. He realized before Gorbachev's star was eclipsed that others had to follow. Others recognized his demise later. So Bob Dole was in the forefront of not just focusing on one individual, but focusing on our relationship with the country.

Mr. President, instead, we seem to have pursued a grand bet instead of a grand bargain. We are betting once again on an individual. We had stuck with Mikhail Gorbachev even as Yeltsin was coming up to the forefront. Now we have shifted to a fascination with Boris Yeltsin, who once mounted a tank in the streets of Moscow, who is now mounting tank assaults in the streets of the cities of Chechnya, killing thousands of innocent citizens, going from fighting a coup in the Kremlin to fomenting coups in the independent republics of the Caucasus.

Mr. President, we need to make very clear, in terms of our relationship with Russia, that we intend to maintain help, maintain the independence of countries in Europe, the Caucasus and Central Asia, some of whom will become as important to the United States as the gulf states have been over the years, and whose states we fought a war to preserve that independence.

We need to make clear, as Senator Dole did in his speech, ''that Russian economic blackmail and military meddling in their former empire will carry costs in terms of relations with the United States.''

Mr. President, I have a number of other points I would like to make. I ask unanimous consent that the text of Senator Dole's address to the Philadelphia World Affairs Council be printed in the RECORD.

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

[Remarks prepared for delivery by Bob Dole, Republican candidate for President of the United States, Philadelphia World Affairs Council, June 25, 1996]

LEADERSHIP FOR A NEW CENTURY

America came of age in the middle of this century, when the interests and ideals of Western democracies faced their greatest moment of peril. Our rite of passage is marked by neat rows of white crosses in quiet corners of Europe where America left to rest so many thousands of her sons and daughters. Buried with them was any belief that America could prosper undisturbed by Europe's recurrent calamities. We accepted then and recognize now that our security and Europe's are joined, and that our alliance offers the best hope for resisting any threat to the peace in Europe and to the civilization we share.

In this city, this cradle of democracy, just steps from the Liberty Bell, stands the house of Thaddeus Kosciuszko, the 18th-Century Polish patriot whose love of liberty brought him to Philadelphia as one of the first foreign volunteers in our struggle for independence. Kosciuszko understood that a love of liberty unites citizens from across the world. We have an interest in helping Poland consolidate its hard-won freedom today, just as a son of Poland once supported ours.

America's interests in Europe are as compelling and as urgent as they were before the Berlin Wall was breached by the stronger forces of human yearning. Yet President Clinton has persistently deferred to our allies and to the Russians, subordinating American interests to the interests of a dubious or ineffective consensus. That's not leadership. And that has harmed the interests of all of us—Russian, Europe, and American alike.

What is urgently needed is a restoration of American leadership in Europe—leadership that understands the purpose and promise of America's role in Europe. Let us begin by reaffirming that Europe's security is indispensable to the security of the United States, and that American leadership is absolutely indispensable to the security of Europe. The Cold War's successful conclusion has not altered this fundamental premise of our engagement in Europe.

Let me be absolutely clear. With the end of the Cold War, we should be building firm foundations for a century of peace, fulfilling the promise of a new future for Europe. Instead, Bill Clinton's policy of indecision, vacillation and weakness is making the world a more dangerous place. And we are missing an opportunity that may never come again.

As president I will restore decisiveness and purpose to America's foreign policy.

Today's great tragedy is that this administration is squandering the inheritance that America—through 45 years of struggle and sacrifce—won for free peoples everywhere when we won the Cold War.

This victory for freedom in the Cold War was achieved through leadership—leadership that understood the vital importance of America's power and America's example to the world.

Bill Clinton and his advisors didn't understand that then. They don't understand it now. It's time we had an administration that did. I intend to give America that administration.

The need for change could not be more urgent.

In an era of tectonic shifts in world affairs, we must not continue to entrust American leadership to would-be statesmen still suffering from a post-Vietnam syndrome. This historic moment will not wait upon Administration officials who believe that our Cold War mission was mistaken—not principled and noble—and who are still suffering from the illusion that communism merely fell instead of being pushed.

It is time to take our foreign policy out of the hands of an administration engaged in the dreamy pursuit of an international order, that cherishes romantic illusions about the soul of a former adversey—an administration that doubts American power, questions American purpose, and cannot fulfill American promise.

It is time for a restoration of American leadership based on the democratic values that are shared by our allies—and increasingly by other nations as well.

For fifty years, American statesmen from both parties—Democratic and Republican—have understood that the security of Europe is vital to the security of the United States.

For fifty years, Americans have understood that aggression and conflict in Europe could lead to the domination of Europe by a hostile power, and that if all the power in Europe were in hostile hands, the United States would be directly threatened.

For fifty years, Americans have understood that the economic strength and growing prosperity of Western Europe were critical for our own economic success.

For fifty years, Americans have understood that Germany's full integration into the security structures of the West solved a hundred-year-old problem that had made the 20th Century one of the most violent in recorded human history.

These are America's interests in Europe. They are just as compelling and urgent today as they have ever been.

Nothing better illustrates President Clinton's failure of leadership than his uncertain and vacillating policies toward Bosnia.

After three years of opposing Congressional efforts to enable Bosnia to defend itself—arguing that lifting the arms embargo would involve America in a Balkan quagmire—President Clinton committed American military forces on the ground in Bosnia. Although I believe this commitment would not have been necessary if we had done what I recommended from the start. I made the decision to support our troops. It was not popular, but I learned a long time ago that young Americans risking their lives should never doubt the support of this government and the American people.

After haphazardly getting America into Bosnia, President Clinton now has no idea how to get Americans out or how to accomplish the mission they went to fulfill. President Clinton promised to lift the arms embargo, and then changed his mind. He allowed NATO to act as a subcontractor to the whims of the United Nations bureaucrats and Secretary General Boutros Boutros-Ghali. He refused to allow the Bosnian people the fundamental right to defend themselves, and instead gave a green light for the terrorists of Tehran to establish a beachhead in Europe. And, at long last, under Congressional pressure, he committed the United States to the arming and training of Bosnia—''I give you my word''; he wrote. Yet six months after the Dayton Accords, not a single bullet has been delivered, and Bosnia remains outgunned.

American Presidents from Truman to Reagan proclaimed doctrines that affirm the right of self-defense against aggression. Yet President Clinton still will not do what he has promised since 1994; give the Bosnian people the right to defend themselves. Does the ''Clinton Doctrine'' provide for the right of self-defense only if it is done covertly by sworn enemies of the United States?

Unless we vigorously move to train and equip the Bosnians, the U.S. and NATO will face a ''stay or fail'' dilemma in Bosnia; either pull out and ignore the resulting disaster, or become involved in an open-ended commitment with no clear purpose, no achievable mission, and no realistic exit strategy.

Today, the credibility of NATO is on the line in Bosnia and, once again, American leadership is lacking.

Today, the Bosnian people do not have freedom of movement, but war criminals do.

Today, reports about widespread violations of the Dayton Accords are suppressed by order of the Clinton Administration.

Today, despite the fact that conditions for free and fair elections quite plainly do not exist in most of Bosnia, the Clinton Administration continues to push for them anyway. The whole world knows the Clinton Administration has its eye more on American elections in November than Bosnian elections in September.

Let me turn now to Russia.

President Clinton's misguided romanticism towards Russia has led him and his advisors to try to fine-tune the intrigues of Russian domestic politics instead of guarding against the nationalist turn in Russian foreign policy that has already occurred. Post-Soviet Russia has proved all too willing to repeat old patterns, challenging the interests of America and the West. And many of those challenges were excused, ignored and even encouraged by the Clinton Administration.

Just over a week ago, President Yeltsin narrowly won the initial round of Russia's first direct presidential elections. The second round has been scheduled for July 3rd. President Yeltsin appears to be ahead. President Yeltsin has had a central role in the demise of the Soviet Union. He has earned his place in Russian history. I remember going out to meet him at Andrews Air Force Base near Washington in June of 1991. I was virtually alone at the time, but I was convinced that his contributions and his potential to change his country should be recognized. The next year, he and I took a memorable trip to my home state of Kansas.

Boris Yeltsin has changed Russia—its neighbors are independent, its economy is open, and its people are free. President Yeltsin has taken positive steps since the first round of elections, such as dismissal of hard-line advisors. I hope he wins next month's elections. I hope the Russian people decisively reject their communist past. But whatever happens, America has interests that must be protected and values that should be promoted.

I am not here to engage in a debate over ''Who lost Russia.'' Russia was never ours to lose. Russia is a great and powerful nation with a proud people and a vibrant culture. Its future is for the Russian people to decide. But I am here to ask ''Who looks out for American interests in Central and Eastern Europe today?'' And if we answer that question properly, we can avoid debates tomorrow over ''Who lost Ukraine?'' or ''Who lost the Baltics?''

Make no mistake: I want the Russian people to succeed in their quest for enduring liberty and democracy.

I have a vision of: a free and prosperous Russia living at peace with its neighbors; a new democratic Russia entering the G–7 after its reforms have been consolidated; a Russia with a special relationship with an enlarged NATO; a Russia willing to respect the independence and sovereignty of all its neighbors; a Russia able to harness the energy of its people and the resources of its territory to realize the promise of its future.

But we should have no illusions about Russia's journey: it will be long, it will be difficult and it will be uncertain.

As president, my foreign policy will strive to consolidate our Cold War victory in Europe. I will replace President Clinton's misguided romanticism with leadership for a new century—a century that can realize the peaceful promise of a new Europe . . . leadership that will avoid the mistakes that led to so much bloodshed in the century we are now leaving behind.

My policy will reinforce the independence of all the states of the former Soviet Union, will support the new democracies of Europe, will lead to the enlargement of the North Atlantic alliance, and will advance effective counter-proliferation measures. In doing so, I will deal with the Russia that exists today—not the Russia we all hope to see.

Let's look at the reality.

Russian hard-line security services have regained much of their previous power. The communist-controlled Duma voted in March to annul the treaty that formally dissolved the Soviet Union. Too often, the privatization of state-owned enterprises has served to enrich pervasive organized criminal networks. The Jewish Agency, laboring mightily to aid emigration from Russia, has been shut down, and ominous signs of anti-Semitism are reappearing.

Since December 1994, the world has witnessed the specter of a Russian democrat, Yeltsin, permitting the bombing of cities in Chechnya to appease Russian nationalists. More than 30,000 people have been killed, the vast majority innocent bystanders. Yet, President Clinton's misguided romanticism led him to compare Russian brutality in Chechnya to the American Civil War. This is a comparison as naive about history as it is offensive both to the memory of Abraham Lincoln and the brave people in Russia who have called for an end to the bloodshed.

By remaining passive in the face of these and other troubling developments, President Clinton has given a green light to the most dangerous tendencies in the New Russia. I will not let illusions about the Russia we hope to see prevent me from seeing clearly the Russia that truly exists.

Forces in Russia have waged a campaign of subversion, intimidation and economic blackmail against other independent states of the former Soviet Union—from the Baltics and Ukraine to the Caucasus and Central Asia. In 1994, the stirrings of Russia's neo-imperial policy were excused by President Clinton in this astonishing statement: ''There will be times when you are involved, and you will be more likely to be invoked in some of these areas near you, just like the United States has been involved in the last several years in Panama and Grenada near our area.''

Now, President Clinton may not know the difference between the liberation of Grenada from communist thugs and Russian intimidation of Georgia or the Baltic states, but I do.

I will make clear the U.S. interest and desire to maintain the independence of countries in Europe—from the Baltic Sea to the Black Sea—and in the Caucasus and Central Asia.

I will make clear that Russian economic blackmail or military meddling in their former empire will carry costs in relations with the United States. Anything less sends a signal that the collapse of the Soviet Union in 1991 is reversible and that the hard-fought freedom of formerly Captive Nations is not our concern.

Russian officials have conducted a campaign of threats against NATO expansion, and President Clinton got the message. He deferred and delayed—placing the threats of Russian nationalists before the aspirations of democrats in countries like Poland, Hungary and the Czech Republic. It is an outrage that the patriots who threw off the chains of Soviet bondage are told that they must wait.

I will stand firmly with the champions of democracy. I will not grant Russia a veto over NATO enlargement. The Russians should be told that NATO is a defensive alliance. It is not now and has never been the NATO of old Soviet propaganda. Stable and secure democracies in Central Europe will be good for America, good for Europe, and, yes, good for Russia.

My policy toward Russia will employ effective measures to defend against weapons of mass destruction and ballistic missiles.

While the threat of immediate nuclear holocaust has receded, the risk of accidental launch has increased. This makes missile defense more feasible and more necessary. Yet President Clinton is unwilling to have the United States defend itself against even a single incoming nuclear missile.

At the same time, President Clinton has been silent about Russian violations of arms control treaties such as START I and the Biological Weapons Convention. He has ignored the Russian decision to abandon the Bilateral Destruction Accord on chemical weapons. He rewarded Russian violations of the conventional Armed Forces in Europe Treaty by giving Russia a better deal.

As President, I will not renegotiate arms control agreements to indulge Russian ambitions in the Baltics, the Caucasus or anywhere else.

As President, I will link Russian adherence to existing arms control treaties to the provision of U.S. assistance.

I will end the misguided efforts to include theater missile defenses under the ABM treaty—no more ''dumbing down'' our missile defenses and dulling our technological edge. The Clinton Administration views the ABM treaty as the cornerstone of its arms control policy. I view it as an historical relic that does not reflect the new realities of proliferation, and seeks instead to preserve the Cold War balance of nuclear terror.

Russia also faces a growing threat from missile proliferation. As President, I will engage the Russians in a direct discussion about the mutual benefits of missile defense and urge them to cooperate with us on this critical issue.

But one thing will be certain in my administration: the American people will no longer be left vulnerable to ballistic missile attack. When I am President, we will deploy an effective national missile defense. We can afford it. We can do it. We should begin now.

We must also understand that the linchpin of U.S. and European security is NATO. But as the world has changed, so, too, must NATO change. As former Prime Minister Margaret Thatcher recently said, ''Our energies must be directed toward strengthening NATO, which is as important in the post-Cold War world as in the circumstances of its creation.'' And while our allies can and should take a greater share of the burden, we should not nurture the illusion that this is a substitute for American leadership.

We have the opportunity to forge a new consensus in support of a common defense that includes Central and Eastern Europe.

Fifty years ago, in Fulton, Missouri, Winston Churchill spoke his famous line: ''From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the Continent.'' Today, the iron curtain has been raised, but a security vacuum remains in Europe—from the coast of a democratic Poland to the shores of a free Slovenia.

As the nations of Central and Eastern Europe stretch out their hand to the West, as they offer to stake the lives of their people in the common defense of our democracies, the Clinton Administration proudly proclaims their policy is ''slow but deliberate.'' Seven years after the collapse of communism, it is clear President Clinton's policy is deliberately slow. If the Clinton Administration's confused and timid approach had been followed in 1990, we would still be studying German unification today.

The enlargement of NATO will strengthen security, freedom and peace in Europe. It will secure the gains of democracy in Central Europe. It will stabilize the security of Europe in which Russia also has a stake. It will ensure that security concerns in Eastern Europe are addressed through NATO. It will demonstrate to post-Soviet Russia that the

freedom that Eastern and Central Europe gained in 1989 is permanent. And it will be an unmistakable safeguard against a reversal of democratic trends in Russia.

Poland, Hungary and the Czech Republic should be offered full NATO membership today. Many other nations from Slovenia to the Baltics rightly aspire to this goal. And Ukraine, despite the great pressures of its geography, remains a willing, dedicated, and welcome participant in cooperative activities with NATO. As I said, NATO enlargement is a process that should begin with Poland, Hungary, and the Czech Republic—but it should not end there.

When I am elected President, I will urge NATO to begin accession talks with Poland, Hungary, and the Czech Republic, and to set the goal of welcoming new NATO members at a summit in Prague in 1998—the 60th anniversary of the betrayal of Munich, the 50th anniversary of the communist takeover of Czechoslovakia, and the 30th anniversary of the Soviet invasion. There could be no more appropriate year or appropriate place to declare that Central Europe has become a permanent part of the Atlantic community.

I will actively promote cooperative efforts in NATO to develop and deploy Europe-wide missile defenses to protect against missile attack by rogue states poised on NATO's southern flank.

I will support the integration of Central and Eastern European militaries into the NATO defense structure, using the Defense Export Loan Guarantee program—ignored by President Clinton.

I fully recognize the importance of friendly relations with Russia. Lest we forget, in 1993 during a summit in Warsaw, President Boris Yeltsin and then-President Lech Walesa issued a joint declaration affirming that Poland's desire to join NATO did ''not run counter to the interests of any state, including Russia.'' But, as Bill Clinton dragged his feet, extremist elements in Russia began to set the agenda in Moscow again. We should not be surprised that hesitation and vacillation fueled those who thought threats would deter us.

As President, I will not grant Russia a veto over NATO enlargement but I will offer Russia serious dialogue on long term relations with NATO. NATO is a defensive organization by its very nature, and its interests collide with Russia only where Russia intrudes upon sovereign nations. A non-expansionist Russia is not threatened by an enlarged NATO.

The hope of the world still rests, as it has throughout this century, on American leadership. There is no escaping the fact that only America can lead—others cannot, or will not, or should not. How firmly we grasp the remarkable opportunities before us in Europe will determine whether the next century repeats the violence and tragedy of the last or opens up a new era of peace, freedom, and security.

The promise of the future has never been greater. With strong, decisive American leadership, we can make that promise a reality for ourselves and the generations to come.

Thank you and God bless America.

Mr. COHEN. Mr. President, we need to make it clear, that we will not ignore continued Russian violations of biological, chemical and conventional arms control agreements.

In contrast to an approach based on romanticism, Senator Dole outlined:

An approach based on realism and a clear understanding of American interests.

A strategy that will reinforce the independence of the states of the former Soviet Union, that will support the new democracies of Europe, and that will strengthen NATO and lead to its enlargement.

A policy that will deal with Russia as it exists today, so that we can effectively use what leverage we have to encourage Russia to become the country we hope it will be—free, prosperous, respectful of and cooperative with its neighbors.

But not a policy that is based on the illusion that Russia already has reached this stage of development.

Mr. President, there are many important elements to Senator Dole's speech, and I urge all Senators to take the time to read it.

Mr. President, I now yield my remaining 4 minutes to the Senator from Arizona.

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

Mr. McCAIN. Mr. President, I want to join my friend and colleague from Maine in congratulating Senator Dole on his second very important foreign policy/national security speech, this time concerning our relations with Europe. I believe that he is establishing a conceptual framework with a clear vision and clear idea as to what we want the world to look like in the next century and a clearer definition of those threats as they are today and as we envision them in the future.

Although the speech was about Europe, I think it is important, although tragic, to note that an act of terror was committed just about the same time this speech was given, which is a compelling statement as to how fragile democracy is throughout the world and how easily acts of terror can be committed which take the lives of American citizens.

Mr. President, one of the major parts of the Dole speech given in Philadelphia was the subject of NATO. In it he says:

We must understand the linchpin of U.S. and European security is NATO. But as the world has changed, so, too, must NATO change. As former Prime Minister Margaret Thatcher recently said, ''Our energies must be directed towards strengthening NATO, which is as important in the post-Cold War world as in the circumstances of its creation.'' And while our allies can and should take a greater share of the burden, we should not nurture the illusion that this is a substitute for American leadership.

American leadership is what the Dole speech was all about, Mr. President, American leadership in a world that is fraught with danger, that has become much less dangerous, but a much less predictable one. This speech that is articulated by Senator Dole is a clear vision and a clear call and challenge to the American people to again recognize that we cannot discard the mantle of leadership which was handed down to us early in this century.

Finally, Mr. President, Senator Dole said—I think it is worth repeating——

The hope of the world still rests, as it has throughout this century, on American leadership. There is no escaping the fact that only America can lead—others cannot, or will not, or should not. How firmly we grasp the remarkable opportunities before us in Europe will determine whether the next century repeats the violence and tragedy of the last or opens up a new era of peace, freedom, and security.

Mr. President, I want to again congratulate Senator DOLE on an outstanding speech. I commend it to all of my colleagues and the American people. I yield the floor.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with consideration of the bill.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

AMENDMENT NO. 4365

(Purpose: To provide equitable relief for the generic drug industry)

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me. For the benefit of our colleagues, Mr. President, let me state what has gone on today and what I think will go on for the next hour to hour and a half.

Mr. President, first, I am going to be sending an amendment to the desk in the first degree. Immediately following that introduction, the Senator from Utah will offer his amendment in the second degree to my first-degree amendment. We will debate these issues and vote on the Hatch amendment some 45 minutes later. After that vote, it will be very possible that I will offer the same amendment as my amendment in the first degree, which we will debate for 45 minutes and then vote.

I know this is somewhat of a Byzantine situation, Mr. President, but I have been attempting since December 7 to have an up-or-down vote in this Chamber on my amendment. It appears I am not going to get a clear up-or-down vote, but this is as near as possible.

Mr. President, with that explanation, hoping our colleagues understand the nature of this issue and the procedure that we will be following, I send my amendment in the first degree to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR], for himself, Mr. CHAFEE, Mr. BROWN, Mr. BRYAN, Mr. DORGAN, Mr. LEAHY, and Mr. BYRD, proposes an amendment numbered 4365.

Mr. PRYOR. 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 F of title X add the following:

SEC. 1072. EQUITABLE TREATMENT FOR THE GENERIC DRUG INDUSTRY.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that the generic drug industry should be provided equitable relief in the same manner as other industries are provided with such relief under the patent transitional provisions of section 154(c) of title

35, United States Code, as amended by section 532 of the Uruguay Round Agreements Act of 1994 (Public Law 103–465; 108 Stat. 4983).

(b) APPROVAL OF APPLICATIONS OF GENERIC DRUGS.—For purposes of acceptance and consideration by the Secretary of Health and Human Services of an application under subsections (b), (c), and (j) of section 505, and subsections (b), (c), and (n) of section 512, of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b), (c), and (j), and 360b (b), (c), and (n)), the expiration date of a patent that is the subject of a certification under section 505(b)(2)(A) (ii), (iii), or (iv), section 505(j)(2)(A)(vii) (II), (III), or (IV), or section 512(n)(1)(H) (ii), (iii), or (iv) of such Act, respectively, made in an application submitted prior to June 8, 1995, or in an application submitted on or after that date in which the applicant certifies that substantial investment was made prior to June 8, 1995, shall be deemed to be the date on which such patent would have expired under the law in effect on the day preceding December 8, 1994.

(c) MARKETING GENERIC DRUGS.—The remedies of section 271(e)(4) of title 35, United States Code, shall not apply to acts—

(1) that were commenced, or for which a substantial investment was made, prior to June 8, 1995; and

(2) that became infringing by reason of section 154(c)(1) of such title, as amended by section 532 of the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983).

(d) EQUITABLE REMUNERATION.—For acts described in subsection (c), equitable remuneration of the type described in section 154(c)(3) of title 35, United States Code, as amended by section 532 of the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983 shall be awarded to a patentee only if there has been—

(1) the commercial manufacture, use, offer to sell, or sale, within the United States of an approved drug that is the subject of an application described in subsection (b); or

(2) the importation by the applicant into the United States of an approved drug or of active ingredient used in an approved drug that is the subject of an application described in subsection (b).

(e) APPLICABILITY.—The provisions of this section shall govern—

(1) the approval or the effective date of approval of applications under section 505(b)(2), 505(j), 507, or 512(n), of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b)(2) and (j), 357, and 360b(n)) submitted on or after the date of enactment of this Act; and

(2) the approval or effective date of approval of all pending applications that have not received final approval as of the date of enactment of this Act.

Mr. PRYOR. Mr. President, it gives me great pleasure to announce I am submitting this amendment on behalf of myself and Senator CHAFEE, Senator BROWN, Senator BYRD, Senator DORGAN, Senator LEAHY, and Senator BRYAN.

With that, Mr. President, I see my friend from Utah is seeking recognition.

The PRESIDING OFFICER. The Senator from Utah.

Amendment No. 4366 to Amendment No. 4365

(Purpose: To provide equitable relief for the generic drug industry, and for other purposes)

Mr. HATCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 4366 to amendment No. 4365.

Mr. HATCH. 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:

Strike all after the word ''Sec.'' and insert the following:

SEC. ___. PHARMACEUTICAL INDUSTRY SPECIAL EQUITY.

(a) SHORT TITLE.—This section may be cited as the ''Pharmaceutical Industry Special Equity Act of 1996''.

(b) APPROVAL OF GENERIC DRUGS.—

(1) IN GENERAL.—With respect to any patent, the term of which is modified under section 154(c)(1) of title 35, United States Code, as amended by the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983), the remedies of section 271(e)(4) of title 35, United States Code, shall not apply if—

(A) such patent is the subject of a certification described under—

(i) section 505 (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV)); or

(ii) section 512(n)(1)(H)(iv) of such Act (21 U.S.C. 360b(n)(1)(H)(iv));

(B) on or after the date of enactment of this section, such a certification is made in an application that was filed under section 505 or 512 of the Federal Food, Drug, and Cosmetic Act and accepted for filing by the Food and Drug Administration prior to June 8, 1995; and

(C) a final order, from which no appeal is pending or may be made, has been entered in an action brought under chapter 28 or 29 of title 35, United States Code—

(i) finding that the person who submitted such certification made a substantial investment of the type described under section 154(c)(2) of title 35, United States Code, as amended by the Uruguay Round Agreements Act; and

(ii) establishing the amount of equitable remuneration of the type described under section 154(c)(3) of title 35, United States Code, as amended by the Uruguay Round Agreements Act, that is required to be paid by the person who submitted such certification to the patentee for the product that is the subject of the certification.

(2) DETERMINATION OF SUBSTANTIAL INVESTMENT.—In determining whether a substantial investment has been made in accordance with this section, the court shall find that—

(A) a complete application submitted under section 505 or 512 of the Federal Food, Drug, and Cosmetic Act was found by the Secretary of Health and Human Services on or before June 8, 1995 to be sufficiently complete to permit substantive review; and

(B) the total sum of the investment made by the person submitting such an application—

(i) is specifically related to the research, development, manufacture, sale, marketing, or other activities undertaken in connection with, the product covered by such an application; and

(ii) does not solely consist of that person's expenditures related to the development and submission of the information contained in such an application.

(3) EFFECTIVE DATE OF APPROVAL OF APPLICATION.—In no event shall the Food and Drug Administration make the approval of an application under sections 505 or 512 of the Federal Food, Drug, and Cosmetic Act, which is subject to the provisions of this section, effective prior to the entry of the order described in paragraph (1)(C).

(4) APPLICABILITY.—The provisions of this subsection shall not apply to any patent the term of which, inclusive of any restoration period provided under section 156 of title 35, United States Code, would have expired on or after June 8, 1998, under the law in effect on the date before December 8, 1994.

(c) APPLICATION OF CERTAIN BENEFITS AND TERM EXTENSIONS TO ALL PATENTS IN FORCE ON A CERTAIN DATE.—For the purposes of this section and the provisions of title 35, United States Code, all patents in force on June 8, 1995, including those in force by reason of section 156 of title 35, United States Code, are entitled to the full benefit of the Uruguay Round Agreements Act of 1994 and any extension granted before such date under section 156 of title 35, United States Code.

(d) EXTENSION OF PATENTS RELATING TO NONSTEROIDAL ANTI-INFLAMMATORY DRUGS.—

(1) IN GENERAL.—Notwithstanding section 154 of title 35, United States Code, the term of patent shall be extended for any patent which encompasses within its scope of composition of matter known as a nonsteroidal anti-inflammatory drug if—

(A) during the regulatory review of the drug by the Food and Drug Administration the patentee—

(i) filed a new drug application in 1982 under section 505 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 355); and

(ii) awaited approval by the Food and Drug Administration for at least 96 months; and

(B) such new drug application was approved in 1991.

(2) TERM.—The term of any patent described in paragraph (1) shall be extended from its current expiration date for a period of 2 years.

(3) NOTIFICATION.—No later than 90 days after the date of enactment of this section, the patentee of any patent described in paragraph (1) shall notify the Commissioner of Patents and Trademarks of the number of any patent extended under such paragraph. On receipt of such notice, the Commissioner shall confirm such extension by placing a notice thereof in the official file of such patent and publishing an appropriate notice of such extension in the Official Gazette of the Patent and Trademark Office.

(e) EXPEDITED PROCEDURES FOR CIVIL ACTIONS.—

(1) APPLICATION.—(A) This subsection applies to any civil action in a court of the United States brought to determine the rights of the parties under this section, including any determination made under subsection (b).

(B) For purposes of this subsection the term ''civil action'' refers to a civil action described under subparagraph (A).

(2) SUPERSEDING PROVISIONS.—Procedures adopted under this subsection shall supersede any provision of title 28, United States Code, the Federal Rules of Civil Procedure, or the Federal Rules of Appellate Procedure to the extent of any inconsistency.

(3) PROCEDURES IN DISTRICT COURT.—No later than 60 days after the date of the enactment of this Act, each district court of the United States shall adopt procedures to—

(A) provide for priority in consideration of civil actions on an expedited basis, including consideration of determinations relating to substantial investment, equitable remuneration, and equitable compensation;

(B) provide that—

(i) no later than 10 days after a party files an answer to a complaint filed in a civil action the court shall order that all discovery (including a hearing on any discovery motions) shall be completed no later than 60 days after the date on which the court enters the order; and

(ii) the court may grant a single extension of the 60-day period referred to under clause (i) for an additional period of no more than 30 days upon a showing of good cause;

(C) require any dispositive motion in a civil action to be filed no later than 30 days after completion of discovery;

(D) require that—

(i) if a dispositive motion is filed in a civil action, the court shall rule on such a motion no later than 30 days after the date on which the motion is filed;

(ii) the court shall begin the trial of a civil action no later than 60 days after the later of—

(I) the date on which discovery is completed in accordance with subparagraph (B); or

(II) the last day of the 30-day period referred to under clause (i), if a dispositive motion is filed;

(E) require that if a person does not hold the patent which is the subject of a civil action and is the prevailing party in the civil action, the court shall order the nonprevailing party to pay damages to the prevailing party;

(F) the damages payable to such persons shall include—

(i) the costs resulting from the delay caused by the civil action; and

(ii) lost profits from such delay; and

(G) provide that the prevailing party in a civil action shall be entitled to recover reasonable attorney's fees and court costs.

(4) PROCEDURES IN FEDERAL CIRCUIT COURT.—No later than 60 days after the date of the enactment of this Act, the United States Court of Appeals for the Federal Circuit shall adopt procedures to provide for expedited considerations of civil actions brought under this Act.

Mr. PRYOR. Mr. President, I will speak only for a very few moments and then I will yield time to my friend from Rhode Island, Senator CHAFEE, and those others who want to enter into this debate.

I had lunch with my interns a few moments ago, Mr. President. One of the young men at the table said, ''What is all of this GATT-Glaxo debate all about?'' It is very hard to explain, and sometimes it is arcane. Mr. President, the bottom line was stated by our colleague from Illinois recently as eloquently as I know how to frame this debate. I quote Senator PAUL SIMON: ''This is a classic case of the public interest versus the special interest.'' This is indeed a classic case of the public interest versus the special interest.

That is exactly what the issue is today on the floor. Let me anticipate, Mr. President, if I might, and I hope I am not being presumptuous, as to what is going to happen and what the arguments of the Senator from Utah might be.

First, Mr. President, the Pryor-Brown-Chafee amendment closes a loophole that every expert in this field, from our Patent Office and the Food and Drug Administration to our U.S. Trade Representative, says should be closed.

We are also seeking to have the prescription drug industry play by the very same rules as every other industry in our country.

The third thing our amendment does, Mr. President, is guarantee that American consumers have access to affordable generic drugs as was intended by the GATT treaty. We are simply saying that affordable generic drugs should be able to come to the marketplace without the obstacles presented by Senator HATCH will not be allowed.

The fourth thing we do, Mr. President, is not affect medical research in any way. It is not an issue, although we will debate that point later. Nor does our amendment affect intellectual property rights in any way. That has been absolutely nailed down in concrete. Since our amendment is consistent with the GATT agreement, that is a moot argument and is simply a scare tactic.

Finally, Mr. President, our amendment guarantees that the financial windfall created by our mistake in the GATT agreement does not go to the drug companies. Instead, it goes to the consumers, it goes to the elderly, it goes to the veterans, and it goes to those who are vulnerable and in need of assistance in buying life-sustaining pharmaceuticals. Today, in the absence of our amendment, you will find that these companies are gaining a multibillion dollar windfall as a result of our error.

Let me briefly state what the so-called Hatch substitute does. It codifies and puts our original mistake into law. It guarantees that the American consumer never gets the affordable, generic drugs intended under the GATT agreement.

Here is the so-called Rube Goldberg chart, Mr. President, showing what the Hatch substitute actually does. This chart shows how the Hatch substitute guarantees that generic competition is locked out and leaves it up to the consumer to continue paying for the multibillion dollar windfall to a few drug companies as a result of a congressional mistake.

Let me emphasize that affordable generic drugs will be something that will not be within the grasp of our American consumer should the Hatch provision prevail. The Hatch substitute guarantees Glaxo and a few other drug companies that they get the entire $2.5 billion windfall. It is an enormous Christmas gift, Mr. President, that we have no business doling out as a special favor to undeserving companies.

Finally, Mr. President, the Hatch substitute would also grant a 2-year patent extension for a drug called Lodine, manufactured in the State of Pennsylvania by Wyeth-Ayerst, a division of one of the major pharmaceutical companies in the country, American Home Products. This patent extension was added by the Judiciary Committee, Mr. President.

In addition, the Hatch substitute creates the Christmas tree of other gifts like additional patent protection to brand name companies like Zeneca and Merck. These provisions were, once again, added by the Judiciary Committee. Mr. President, this is what I think is going to be occurring during the next several minutes. I am wondering now if my colleague from Utah would like to respond, or if my colleague from Rhode Island would like

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first of all, I want to congratulate Senator PRYOR, the Senator from Arkansas, for his tenacity in connection with this really outrageous situation that exists as a result of a mistake that was made and the failure of the Congress to correct that mistake. Senator PRYOR, recognizing the cost that this is incurring upon the U.S. Government, our State governments, and upon our citizens—especially our citizens—has, with tremendous tenacity, tried to correct it. I think Senator PRYOR deserves all of our thanks for this.

Now, what are we doing here? What we are trying to do today, Mr. President, is to correct an inadvertent error made in the 1994 GATT, General Agreement on Tariffs and Trade, that we passed. This error, as I say, is costing consumers and our Government, not just thousands of dollars, but millions of extra dollars, and is giving an unintended windfall to the drug companies. It is well past time for the Senate to act. I do hope that the PRYOR amendment will be adopted.

Now, what is this amendment that we are working on this afternoon? It is very simple. As I say, it corrects an inadvertent error. It is a mistake that was made that kept qualified generic drugs from going to market. What is a generic? It is something anybody can manufacture. It keeps these generic drug manufacturers from going to market, as they plan to do when the patent expired on these drugs, particularly those that are manufactured, in certain instances, by Glaxo. Now, the result has been that a handful of brand name drug companies have received a staggering—and, as I say, this is not thousands, this is really billions—$4.3 billion windfall at the expense of consumers, and neither the Congress nor U.S. trade officials, nor even the companies themselves, expected this to occur.

Now, the cost to consumers, as I mentioned, is enormous. The drugs covered by the windfall are widely prescribed. They are used for everyday ailments that affect millions of Americans, particularly the elderly. Keeping the generic version of these drugs off the shelf for up to three additional years means that Americans—especially older Americans—are paying far more than was ever intended for these medications.

Not only are consumers paying for this error, but so are the governments—State governments and the Federal Government—in the form of higher reimbursement for prescription drugs. The military, likewise, is paying, because the military, as we all know, pays not only for drugs for the active duty personnel, but for retirees, as well.

Now, we in Congress made a mistake. We all recognize that, and we ought to fix it. In this case, the solution is obvious: Enact the conforming amendment presented by Senators PRYOR, BROWN, myself, and others, who have been working likewise.

Enacting the conforming amendment has a positive side effect, an important one for our States. Back in December, we had a vote on this, and because of parliamentary maneuvering, we were told repeatedly that it was important to have a hearing on this. Ultimately, we lost by one vote. This was going to go to a hearing. Since that vote last December, what has happened? Well, finally a hearing took place, 3 months later, at the end of February. What did we find out at the hearing? Well, we found out exactly what we have been saying all along. There were no new discoveries at this hearing. The USTR, U.S. Trade Representative, at the time GATT was enacted, Mr. Kantor, testified: ''We did not intend for this to happen, and we support the correction of this oversight through the appropriate amendment to the Food, Drug and Cosmetic Act, and the Patent Act.''

That is what Mickey Kantor, our U.S. Trade Representative, said.

Three months went by, and then two more months went by, a markup being continuously postponed. We finally saw our bill be marked up in the committee. What the result was, was a bill that did not correct the loophole at all. Senator PRYOR has touched on that already. I thought it was very interesting. This is, as he showed on his chart—and perhaps the Senator could go back to that original chart that shows this Rube Goldberg setup—how the generic drug companies could straighten out the situation. Well, it is ridiculous. I must say, I praise the ingenuity of those who worked out this intricate process.

So the situation has become ludicrous. Unfortunately, it has been more than a year since the FDA first ruled that it did not have the power to permit these generics to go to market. A year ago, we found out there was a problem. Instead of fixing it right away, we have been stymied time and time again by procedural motions and talk of hearings. We all know the time is running out.

So, Mr. President, I want to conclude by reading a couple of quotes from newspapers who have commented on this.

This is what the New York Times had to say:

> Congress finds it hard to remedy the simplest mistakes when powerful corporate interests are at stake.

The Washington Post said:

> It is doubly difficult to understand why the Senate refuses to do anything about a windfall that, as far as the administration is concerned, is based on nothing more than an error of omission.

We made an error and ought to correct it.

The Des Moines Register said:

> Unless the Senate gives the issue another look, hundreds of Iowans suffering from ulcers and heartburn will each have to fork over about $1,600 more than necessary for their prescriptions over the next 18 months.

The NBC Nightly News said:

> This is one area where Congress could help save millions of taxpayers dollars now.

So, Mr. President, it is my hope that we will prove to our constituents that there is not business as usual around here, that we can and we will correct a mistake that was made and do the right thing and fix this loophole now.

I urge my colleagues to vote against the Hatch amendment and for the Pryor-Chafee amendment, the only bill that will close the loophole. I thank the Chair.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I believe that the problems presented in the pending amendment could be solved if the parties would get together and agree to a procedure which would provide for prompt judicial determination as to what is a substantial investment.

I agree with my distinguished colleague from Rhode Island that this matter ought to be cured and acted upon, because the more time that passes, the greater the potential damages on one side or another, depending upon whether there has been a substantial investment. That is the issue which is outstanding, and it is my view that the generic manufacturer should be compelled to show that it has complied with the provisions of law and that it has, in fact, made a substantial investment before it can enter the marketplace.

With all due respect, I do not believe that this is a matter for editorial comment, or for generalization. Instead, it requires a hard look at the facts and a careful analysis of the law. What we are dealing with here is public policy to encourage pharmaceutical companies to make very substantial investments to produce pharmaceutical products. The other public policy consideration is to make available generic products for the benefit of many parties, once the patent has had a reasonable life term.

Those who benefit from generics are many. They are the senior citizens. They are the veterans. They are the Government. Many interested parties ought to have access to generic products.

The critical key issue is whether the generic company has made a substantial investment or not, and it is my view that that has to be judicially determined.

We had a very extended discussion on the Record back on June 20, just 8 days ago. It is summarized really as follows: I offered a procedure, first in the Judiciary Committee and now incorporated into the amendment offered by the Senator from Utah, which would provide for expedited proceedings which could be completed within 70 days.

What is really happening when the Senator from Arkansas is offering this amendment is that nothing is going to happen for a lot longer than 70 days. This matter has been pending for months. If the parties had agreed to expedited judicial proceedings, which the Hatch amendment is prepared to accept, if Senator PRYOR would accept that, we could have a determination of any generic company which had made a substantial investment within a relatively short period of time. That generic company could then begin to market its product.

I do not believe this matter ought to be left undefined. I think really we ought to have a definition of what is a ''substantial investment.'' We hear a great deal of talk about the undesirability of judicial legislation; that we ought to have Congress act on these matters.

My staff and I made a very concerted and extended effort to try to define ''substantial investment'' and ''equitable remuneration,'' sitting down with parties on both sides at some substantial length.

I continue to believe that, if the parties really wanted to resolve this and have a determination as to which generics had made a ''substantial investment'' so that those generic products would be made available to the public at large, that could be done instead of this extended debate.

But in the absence of that kind of an agreement, it seems to me that what is fair is to have the generic with its burden of proof of showing that a substantial investment had been made. And, with the additions I have made to the pending amendment offered by the Senator from Utah, we would have those proceedings concluded within a few short months. If the Senator from Arkansas was willing to adopt that kind of a procedure, he could have set the judicial mechanism in place long ago so that we could have had a determination of this matter.

Mr. President, I reserve the remainder of my time.

Mr. PRYOR. Mr. President, I thought that Senator HATCH would be speaking now. I think he has stepped out of the Chamber. Therefore, I will make a few remarks in response to my friend from Pennsylvania.

First, we are not changing the GATT language. We are keeping the GATT language as it relates to the term ''substantial investment.'' This is simply what we are trying to do with the Pryor-Brown-Chafee substitute amendment at this time. We are trying to basically reinforce what we already have built into the GATT treaty, adopt that language, and apply to the drug companies the exact same rules and definitional standards that we apply to every other industry in our country and in our world today who are signatories to the GATT.

I want to make a couple of more points. The Senator from Pennsylvania has mentioned that we needed 70 days

in order to resolve all of this. What the Senator from Pennsylvania must be aware of, and what the Senator from Arkansas is aware of, is that every day that goes by these companies are getting, in my opinion, egregious windfalls totaling $5 million extra every day that we estimate could be used to purchase cheaper or less expensive generic drugs.

What this is about, Mr. President, really is about a few drug companies. For example, here is Zantac. If we had a generic substitute today for Zantac, we would be paying about 40 percent or 50 percent less than we are paying with the brand name Zantac today in our drugstores.

Mr. President, this is an absurd situation. It is time for us to correct this. We hope that the Senate will avail itself of this opportunity.

Mr. President, inadvertently a few moments ago when I sent the amendment to the desk I did not mention our original cosponsor from Vermont, Senator LEAHY.

I ask unanimous consent that his name be added as an original cosponsor.

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

Mr. SPECTER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Five minutes.

Mr. SPECTER. Mr. President, I inadvertently referred to a judicial time line of 70 days. I really meant 7 months.

My point is this. This controversy first arose on May 25, 1995. Had we had in effect a procedure, which I am suggesting, for a maximum 7-month determination regarding companies that the Senator from Arkansas refers to, we could have had a judicial determination made on or about January 1, 1996. It could have already been made.

This legislation is really not the best way to solve the problem. There is a question as to what will happen in conference on this Department of Defense authorization bill, and whether the amendment will be adopted in the first place. There is also a question of whether the President will veto this Department of Defense authorization bill because it has substantially more spending than he is prepared to accept. But, if the parties agree to a procedure where there was expedited judicial determination as to what is a substantial investment, we could have generic products on the market within 7 months.

If my colleague from Arkansas would engage in a brief discussion—it has to be brief because I do not have too much time left—what would the problem be with the generic companies that the Senator from Arkansas refers to to accept the procedure where there would be a court determination made within 7 months as to whether they had made a substantial investment. Then, if the court finds in their favor, they could sell the generic drug plus recover full damages for the period from the time that they could not sell the generic drug until the time the court determined there was substantial investment and they could sell the generic drug?

Mr. PRYOR. Are we on the Senator's time?

Mr. SPECTER. We are.

Mr. PRYOR. I ask that the time be allocated to the Senator, if I might respectfully say so.

I have a letter from Donna Shalala, the Secretary of HHS, and I quote from the letter that has been distributed throughout the Senate this afternoon.

Secretary Shalala says:

> It will be nearly impossible to meet the substantial investment requirement under the Hatch substitute.

She concludes saying:

> It would be virtually impossible for a manufacturer to obtain FDA approval for a generic drug product during this transition period.

Mr. SPECTER. If the Senator from Arkansas will also focus, in the very limited time, just on the issue of substantial investment. What Secretary Shalala had to say, with all due respect, is totally irrelevant. I have a very crisp question. If your generic company has to have a determination of substantial investment within 7 months, would that not be a lot better than this elongated, uncertain legislative process?

Mr. PRYOR. Mr. President, I simply respond by saying the generic companies cannot get the market because they cannot meet the requirements and the obstacles set forth in the Hatch substitute. It is that simple.

Mr. SPECTER. Mr. President, I want to reclaim my time. I want to conclude my argument in the very brief time that I have left.

With all due respect for my very distinguished colleague from Arkansas—and I do agree with Senator CHAFEE in complimenting Senator PRYOR for his tenacity here—this is a matter which requires a determination of what is a substantial investment. This matter has been pending now for more than a year—since May 25, 1995. If the parties really wanted to resolve this, we could come to terms on expedited judicial proceedings which Senator HATCH is prepared to accept. That would take, of course, a maximum of 7 months. Then the generic company would have a determination of substantial investment, and they would be in the field. In addition, they would be entitled to collect their damages in the interim.

I believe, as a matter of fairness, that we ought to get the judicial determinations as promptly as possible. But we also need to have fair protection for the substantial investments made by the pharmaceutical pioneer companies. This expedited procedure would ensure justice for all parties, and I submit that we ought to proceed forward with it.

I yield the floor.

Mr. PRYOR. Mr. President, I will respond by saying that this expedited procedure and the substantial investment, is basically what the GATT Treaty calls for and lays out the rules for every other industry in the world today with the exception of the pharmaceutical industry.

We left out, by mistake, a conforming amendment that would guarantee the application of the GATT Treaty to brand name drug companies and as a result a few companies are protected against any generic competition.

Now, who pays the bill for that? Who pays the ante? Well, we know who pays. The consumer pays—the elderly pay, the veterans pay, the Medicaid Program pays, the government pays. But across the board these windfall profit dollars are going to the major drug companies, and we are asking today for the Senate to support less expensive drugs. We are begging today for competition in the pharmaceutical marketplace.

Just recently—and I ask that this item be placed in the RECORD at the appropriate place—Glaxo cut the cost of Zantac to the German people by 30 percent. The concern they were responding to was that a generic was about to become available and be a competitor to Zantac in that country—a 30-percent decrease in the cost of that drug. I wish they would give us the same cost decrease in this country.

But what the Senator from Pennsylvania is talking about—simply wait another 7 months for these drugs to be available in generic form—is another $1 billion in consumer losses and another $1 billion windfall profits for three companies in this country.

Mr. President, I do not think the Senate supports extension of this type of benefit to a few drug companies.

I see my friend from Utah. I would like to ask how much time I have remaining, please.

The PRESIDING OFFICER. The Senator has 1 minute 20 seconds.

Mr. PRYOR. Mr. President, I will reserve the remainder of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I would feel much more confident in the distinguished Senator from Arkansas's comments if he were willing to turn back all of the GATT blessings that Arkansas received. I have a list here which gives some of the examples of extensions made under GATT and the number of days.

Here are 25 Arkansas companies which received extensions, one of which had its patent extended as by 713 days, another by 667 days, another by 665. The Jacuzzi Brothers had a patent extended by 218 days.

None of their competitors has come to us and complained that they are being cheated.

I might ask why we aren't suggesting that all those companies give back the extensions they received? Because there were winners and losers in the GATT. Unfortunately, the distinguished Senator from Arkansas does

not happen to agree with some of the winners.

Mr. President, what you have heard this afternoon from our colleague, Senator PRYOR, admittedly is a compelling populist argument that will have a great deal of surface appeal to some people.

Who among us would not want to lower the price of drugs used by the elderly?

Who would not want to correct a mistake?

Who would not want to level the playing field to promote fairness between two very important segments of a very important industry?

Unfortunately, none of these arguments are accurate. All of them are built on a foundation of sand.

With one strong wave of reality this dream castle will come crashing down and we will be left with the truth of the matter.

The truth is that:

There is no loophole;

There is no technical error; and

And there is no need for the overreaching Pryor/Brown/Chafee amendment.

Let me give you the facts.

It should be no secret to anyone in this body that GATT extended the terms of patents. The GATT Treaty—a very important treaty that took decades to get—was debated extensively in open session. It was negotiated for a period of years, extending through three Presidential Administrations. It was one of the most talked-about pieces of legislation we have considered.

As a consequence of the GATT, the terms of about 1 million patents were extended. I just mentioned 25 of those were in Arkansas. They came from virtually every type of industry in the United States, including pioneer pharmaceutical patents.

From this debate, you would think that only pharmaceutical patents were extended, but that is far from true.

In truth, only about 100 pharmaceutical patents were extended—100 out of 1 million—100 patents out of 1 million.

Today you will hear the argument that this issue is a simple case of Congress making an oversight in a piece of complex legislation. Again, that is not correct.

In fact, the Food and Drug Administration has said as much. In black and white.

Last May, the FDA's Deputy Commissioner for Policy said:

> (T)his apparently is not an example of Congress having overlooked a statutory provision it might have changed had it been aware of its existence . . .

So, it is clear that both the executive and legislative branches acknowledge this was not an oversight, even though we hear that over and over again.

But, if the FDA statement were not enough of an argument for you, consider that the courts have also reviewed this issue and have concurred that there is no evidence that this was an oversight.

The Court of Appeals for the Federal Circuit noted last November in the Royce case that it could not find any definitive evidence on the question of intent.

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.

By the way, I coauthored the Hatch–Waxman Act, and I do understand it.

When Senator PRYOR's glitzy, diversionary charts are put aside, it seems to me that my opponents must concede that they have no hard evidence that this is simply a case of legislative mistake. It is not. And by the way, those charts, as much as they are curly-cued to death are misleading. Every generic patentee must go through the process on that chart, under the URAA. It is not just a process set up for generic drugs.

Do not let their attempts at a revisionist history fool you. As the Federal circuit correctly noted, the true test of legislative history is what was stated when the bill passed, not what some are trying to say now, after the fact.

You will also hear today that the Congress should adopt the Pryor amendment so that generic drug manufacturers have the same protections afforded to every other generic product manufacturer under the transition rules.

This is the so-called level-the-playing-field argument.

The truth of the matter is that there are no reported cases of any generic manufacturer, including those 25 in Arkansas, for any other industry reaching—or for that matter even seeking to reach—the marketplace through these transition rules.

It is important for all involved in this debate to understand that under these transition rules, generic drugs have not been treated differently than any other generic products.

Not one individual in this body can point to any other industry except generic drugs which has used, or even attempted to use the transition rules. In other words, out of the 1 million patents extended, not one other industry, or for that matter not one person from one other industry, has attempted to use the transition rules.

The playing field is level.

In fact, the generic drug industry is actually trying to tilt the playing field in its favor.

It may surprise some in this body to see what the generic drug industry has been arguing in court.

Let me just read to you for a few moments from a transcript of the oral argument at the Federal circuit last October in the Royce case:

> Milton Bass, a lawyer for the generic drug industry, said:
>
> I suggest to this court that this statute in one respect is written expressly for generic drugs and in the other respect primarily for generic drugs.
>
> Judge Bryson:
>
> You think the URAA was written expressly for generic drugs?
>
> Mr. Bass:
>
> Absolutely, and I'll tell you why . . . I can't think of a single act that was not infringing before June 8 that became infringing after June 8 except for the generic drug industry. . .
>
> With other patents, a company is limited in what they can spend their money for to invest before the patent expires. Because if they use the patent, that's an act of infringement.

So we have the generic drug industry lawyer actually arguing that the transition rule was specifically intended for just this one industry.

That hardly sounds like a level playing field argument to me. That sounds to me like an argument for special treatment.

And this apparently was not just one of those statements that inadvertently slip out during the pressure of the moment in oral argument.

The same argument was repeated by the generic company's lawyer in his petition for writ of certiorari to the Supreme Court.

The generic drug company attorney stated to the Supreme Court:

> The most obvious intended beneficiary of the statutory licensing system was the generic drug industry . . . In fact, since the adoption of TRIPS and the URAA no industry other than the generic drug industry has emerged as being potentially affected by the equitable remuneration system.

So there you have it: plain evidence that contrary to what our colleague will allege, the generic drug industry wants to tilt the playing field toward itself.

Frankly, the Pryor amendment is nothing more than an attempt to see that one industry, the generic drug industry, gains a special, widespread, wholesale benefit that no other type of generic manufacturer will ever likely get under the transition rules.

And why is this so harmful?

As much as we all sympathize with the goal of getting lower priced generic drugs to the American consumer—particularly our elderly living on fixed incomes, we must not act in a fashion that undermines the incentives to invest in biomedical research.

We want both new breakthrough therapies and cheap generic equivalents.

The issue is how best to satisfy both ends.

Over the years I have enjoyed working with Dr. C. Everett Koop, former Surgeon General of the United States. I stood behind Dr. Koop when many in this body were anxious to prevent him from becoming Surgeon General. Time has proven that Dr. Koop is one of the world's leading public health authorities.

I respect and value his opinion. I believe that the American people know that Dr. Koop is a man of integrity and speaks his mind. Dr. Koop wrote me a

letter last week which shows just how important it is to retain incentives for biomedical research. He said:

Because of my long-standing concerns about the effect on biomedical research of weakened patent protection, I have been following the efforts in the Senate to roll back the advances in intellectual property protection established by the GATT amendment.

The right to claim ideas as property allows innovators in any discipline to invest time and money to bring those ideas to fruition. This is especially true in the pharmaceutical industry, where each new medicine requires an average investment of 12 years and $350–500 million. Stronger patent protection bolsters the incentives for these high-risk investments, and thus represents a significant leap forward in our effort to preserve and improve the nation's health. It is for this reason that I submitted testimony to the Judiciary Committee opposing legislation to roll back the GATT intellectual property protections for pharmaceuticals.

I think that Dr. Koop is focusing attention on the right issue when he points out the importance that strong intellectual property laws have on biomedical research.

Frankly, a strong case can be made by those who argue that it is unnecessary to make any changes in our current statutory framework. But in the spirit of compromise the Judiciary Committee passed on a 10–7 bipartisan vote compromise legislation on this issue, to which Senator SPECTER is referring.

The Judiciary compromise is the text of the amendment I offer today, with small-but-important modification suggested by Senator SPECTER last week which will ensure that the process envisioned in the Judiciary bill is a speedy one.

The Judiciary compromise is a responsible, reasonable alternative. It allows generic drug products to reach the marketplace before the expiration of the GATT-extended patents.

The difference between my approach and that of Senator PRYOR is that the Judiciary bill protects intellectual property by precluding the generic's entry into the marketplace until a court has decided that a substantial investment has been made. As with the Pryor approach, the manufacturer must demonstrate that it has made a substantial investment.

Mr. President, I reserve the remainder of my time.

Mr. PRYOR. Mr. President, did the Senator from Utah conclude his statement?

The PRESIDING OFFICER. He reserved the remainder of his time.

Mr. PRYOR. Mr. President, as I have only a few moments, let me point out that the Hatch substitute was born out of a proposal by PhRMA. PhRMA is the group that represents the major brandname drug companies. Every element, according to a memo of April 30, 1996, of a draft PhRMA proposal which, as they wrote to their members, ''benefits members of PhRMA'' wound up in the so-called Hatch substitute. That, Mr. President, is what they are interested in. They are not interested in benefiting the consumer, they are interested in benefiting their own—regardless of what happens to consumers and taxpayers. This is why we should really call this proposal the PhRMA-Glaxo substitute. I hate to call it the Hatch substitute because I have such respect for my friend from Utah. Certainly he would not want to have his name associated with what he knows is an enormous boon to special interests.

Finally, the Hatch substitute has become a Christmas tree, literally a Christmas tree, of patent extensions and special favors for a variety of drug companies like Wyeth-Ayerst, Merck and Zeneca. Once again, I will quote our friend, Paul SIMON from Illinois. Senator SIMON, who we will miss greatly in this body, said: ''This is a classic case of the public interest versus the special interest.''

Mr. President, that is precisely what this vote we are about to take is all about.

I yield the floor.

Mr. HATCH. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. HATCH. I have heard the arguments of the distinguished Senator from Arkansas over and over.

I know he is sincere.

I know he means well.

But his arguments fixate on one or two companies.

If you were to look at this in the context of all of the companies, the thousands of companies, that benefited from the GATT Treaty, it reduces his arguments to nothing.

If you look at the companies from Arkansas that benefited from the GATT Treaty, you have to ask why they should receive a benefit that others did not? It is because they had to draw the line somewhere. The simple truth is that there were some who won and some who did not.

The thrust of my colleague's argument is that consumers are spending exorbitant amounts of money for Zantac because one company, Glaxo, has had its patent expanded under the GATT Treaty.

It does not matter if Glaxo or any other company benefited under this treaty.

The important thing is that treaty be preserved. It took decades to bring this treaty about. It is a treaty with important intellectual property provisions, provisions important for the whole world.

We have taken decades to get other nations to sign on to this treaty, many of which did not want to. Some of them would like nothing better than to undermine this treaty.

If the United States, pursuant to the Pryor amendment, were to adopt this language and undermine this treaty, right off the bat, I think it would send the wrong message to all the nations which would like an excuse to undermine the treaty anyway.

If we uphold the treaty, then, it seems to me in the long run we will save trillions of dollars for the consumers, compared to the relatively few millions the Senator is complaining about.

In the short run, consumers are going to pay more for some products under the treaty, because thousands of patents for all sorts of products and technologies were extended.

Let us just be honest about it. There is a lot riding here.

The overall goal of keeping the URAA intact outweighs the concerns of any one of us that one company or another may benefit somewhat from this. The fact of the matter is, there are a number of companies that benefit from this.

It is also important to note that, under the Hatch-Waxman Act, the generic industry gets something that no other industry gets. They can infringe the pharmaceutical pioneer companies' patents like no other industry can. We included that provision in the best interests of bringing pioneer drugs off patent into the marketplace as quickly as we could.

I am proud of that Waxman-Hatch Act. I worked my guts out to have it come to fruition.

It was negotiated, every word of it, right in my office.

It saved consumers billions and billions of dollars.

If we turn around now, just because, as the Senator argues, one or two or even eight out of a million companies may have benefited, we will undermine the very GATT Treaty that we fought so hard to get. That will be a mistake.

This is not some insignificant battle between two good people here in the U.S. Senate. This is a very, very important set of legal principles, legislative principles, treaty principles, and intellectual property principles.

Frankly, the arguments are not as the distinguished Senator would portray.

At this point I would like insert in the RECORD some examples of patents which were extended in Arkansas. I would also like to insert a statement by former Senator and Trade Representative Brock, who rebuts the arguments that former Ambassador, now Secretary Kantor says. And, finally, I would like to insert the letter from Dr. C. Everett Koop, former Surgeon General of the United States. I ask unanimous consent to have those printed in the RECORD.

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

EXAMPLES OF ARKANSAS PATENTEES GRANTED EXTENSIONS UNDER GATT AND NUMBER OF DAYS

Abilities Unlimited, 640.
AGL Corporation, 324.
Arthur W. Reed Machine Co., 660.
BC Pausch, Inc., 471.
BEI Electronics, Inc., 535.
BEI Electronics, Inc., 240.
BEI Electronics, Inc., 419.
BEI Electronics, Inc., 466.
Carroll Herring, 713.
Citation Manufacturing Co., Inc., 454.

Cordell Tackle, Inc., 296.
Darrell Boyd, Kathy Sue Boyd, Mark Stodola, James Hall, Stuart Vess, J. Russell Reinmiller, 667.
Domination Incorporated, 663.
DuraCraft Boats, Inc., 403.
Gator Products, Inc., 527.
Hustler Corporation, 189.
Jacuzzi Bros., 218.
Klipsch and Associates, Inc., 481.
Malvern Minerals Company, 410.
Norman Manufacturing Co., Inc., 611.
Roland Clardy Rogers, Ray Green Rogers, 541.
Shakespeare of Arkansas, Inc., 437.
Shakespeare of Arkansas, Inc., 552.
Sprayrite Manufactoring Company, 465.
SunPower Systems Corp., 688.

BROCK GROUP, LTD.,
Washington, DC, September 20, 1995.

Senator WILLIAM V. ROTH, Jr.,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ROTH: When I first proposed international agreements to extend intellectual property protection worldwide under the GATT, no one believed it could be done. Yet it was the crowning achievement of the recently successful Uruguay Round—thanks almost solely to the persistent and active support of the U.S. business community and U.S. governmental leaders.

Now I hear that some pending proposals could imperil the implementation of that agreement. I refer specifically to legislation recently introduced by David Pryor, called the Consumer Access to Prescription Drugs Act (S. 1191). S. 1191 creates special rules so that the generic pharmaceutical manufacturers can take advantage of preferential treatment under the Drug Price Competition and Patent Term Restoration Act of 1984 (''Hatch/Waxman Act'') without adhering to the 20 year patent term negotiated during the GATT Uruguay Round negotiations.

Proponents suggest that this legislation is only a ''technical'' correction to the Uruguay Round Agreements Act (URAA) and neither weakens patent protection under URAA nor diminishes the United States' ability to fight for stronger international patent protection. I disagree! This issue is far too important to risk on the basis of hoped-for ''good intentions'' in nations which have never favored intellectual property protection.

Countries around the world are still in the process of implementing the Uruguay Round Agreement. A number have withheld their own action to wait and see what we do. We all know those whose prior actions have cost American inventors and entrepreneurs billions. They will see this retreat on our part as a ready excuse to implement their own minimalist versions on intellectual property protection. 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. The United States must continue to be a leader on full implementation of every aspect of the agreement on intellectual property in both substance and in form.

One final additional point. Domestically, this legislation would upset the delicate balance provided for in the Hatch/Waxman Act, which already grants generic pharmaceutical firms special treatment in the area of patents not available to other industries. S. 1191 would further the bias against pioneer pharmaceutical firms.

Please give careful consideration to the negative impact this legislation would have. I would be delighted to give you additional specifics if it would be helpful.

Sincerely,

WILLIAM E. BROCK.

BETHESDA, MD, *June 20, 1996.*

Hon. ORRIN G. HATCH,
Chairman, Judiciary Committee, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: Because of my longstanding concerns about the effect on biomedical research of weakened patent protection, I have been following the efforts in the Senate to roll back the advances in intellectual property protection established by the GATT agreement.

The right to claim ideas as property allows innovators in any discipline to invest time and money to bring those ideas to fruition. This is especially true in the pharmaceutical industry, where each new medicine requires an average investment of 12 years and $350–500 million. Stronger patent protection bolsters the incentives for these high-risk investments, and thus represents a significant leap forward in our effort to preserve and improve the nation's health. It is for this reason that I submitted testimony to the Judiciary Committee opposing legislation to roll back the GATT intellectual property protections for pharmaceuticals.

While I am still concerned about the impact that any change in our intellectual property protections could have on the incentives for medical R&D, the bill reported by the Judiciary Committee on May 2 is a significant improvement over the other proposals on this issue. I commend you and your colleagues for finding a way to accommodate the varied political interests that have been actively involved in this debate.

By allowing for the issues of ''substantial investment'' and ''equitable remuneration'' to be resolved before generic medicine comes on the market, the proposal mirrors the system that has worked well since it was instituted by the Hatch-Waxman Act. It also adheres with the requirements of the GATT legislation itself, which requires a court to determine these issues.

Most importantly, by requiring a court to establish ''equitable remuneration,'' the Judiciary Committee's proposal establishes a procedure for the value of intellectual property to be recognized. This is crucial if we are to sustain the research that will answer patient needs now and in the future. It is absolutely essential if we as a society genuinely care about the nation's long-term health.

Ideally, no change would be made in the relevant laws establishing stronger patent protections. But given the political reality, you have done a good job of developing a compromise that maintains some reasonable protection for the intellectual property concepts that have made the U.S. a leader in medical innovation.

Sincerely yours,

C. EVERETT KOOP, M.D., Sc.D.,
Surgeon General, 1981–1989.

Mr. HATCH. With regard to my amendment, which is the text of the Judiciary Committee bill, the court would consider expenses related to the generic drug application and other activities, such as plant construction and equipment purchases, made specifically in connection with particular generic drugs.

Our compromise would prevent applicants from gaming the system by precluding approval of applications submitted for products that come off-patent beyond 1998.

Also, at the suggestion of Senator BIDEN, we have included language that would make clear that pioneer drug patents could receive both the restoration extension afforded by the Hatch–Waxman Act and any additional time received under the URAA.

This is only fair, because these extensions derive from separate statutory sources.

Mr. President, I have worked long and hard on this issue and have endeavored to find a reasonable middle ground which will accommodate the interest of all my colleagues. The Judiciary bill is a good compromise, and I urge my colleagues to support the amendment.

Mr. HELMS. Mr. President, there are a number of red herrings flying across the Senate in an effort to politicize this issue and scare senior citizens and others. But the bottom line of this issue is whether we will support the search for new medicines or undermine it.

Let me quote from an article that was written by Dr. C. Everett Koop and published in the March 28, 1996, issue of The Washington Times:

> Generic drugs play an important role in helping lower the cost of medicines. But it is the pharmaceutical research industry that discovers and develops those medicines in the first place, investing billions of dollars in research and development that can span decades without any guarantee of success—an investment made possible by our system of patent protection.
>
> Congress should stand firm in its decision to provide greater protection for American innovators. This protection is a leap forward in our ongoing battle to preserve our long-term national health.

Speaking of our long-term national health, a company that Senator PRYOR frequently criticizes, was recently awarded the highest honor that can be bestowed on a company by the American Diabetes Association.

On June 6, Glaxo Wellcome, Inc., which is headquartered in North Carolina, was awarded membership into the Banting Circle. According to the announcement, the award recognizes Glaxon Wellcome's effort to cure diabetes.

Dr. Bob Bell, vice president of research at Glaxo Wellcome, explained that ''If we can find that gene or combination of genes that causes diabetes, and link them to specific functions of their proteins, then we can use this insight to develop better treatments.''

Approximately, 15 million people suffer from type II diabetes. How much longer does the Senator from Arkansas think they should have to wait for a better treatment or even a cure for their disease?

Ms. MOSELEY-BRAUN. Mr. President, I would like to take this opportunity to express my support for the Hatch substitute amendment. The Senate voted in December to require the Judiciary Committee to hold hearings on the General Agreement on Tariffs and Trade [GATT] patent extension provisions. As promised, the hearings were held, and a May 2 markup resulted in a vote in favor of a bipartisan compromise proposal.

The Hatch amendment, which represents this bipartisan Judiciary Committee compromise, would allow the Food and Drug Administration to approve a generic drug marketing prior to expiration of the GATT patent extension if the manufacturer complies with the GATT implementation law and the 1984 Hatch-Waxman law. This special exemption from patent laws is permitted by no other sector.

The Pryor amendment on the other hand, would modify the current GATT as it applies to patent protections for pharmaceutical products. This amendment, which was voted down in the Finance Committee, has been portrayed as a technical correction to the GATT agreement. It is not. This amendment opens up an international agreement on trade to resolve a domestic intraindustry dispute. It is short-sighted, counterproductive, and will impede the availability of life-saving drugs and therapies for all of us.

This is not an argument about whether the American people should generally have access to generic drugs. I firmly believe that all persons who are sick should have access to affordable and comprehensive health care services. My views on the GATT patent extension issue are in no way inconsistent with my support for health reform. In fact, I believe present attempts to undo and reopen GATT could have an adverse impact on the development of state of the art medicines and treatments, which in turn deny all of us the benefit of advances in medical science.

This argument in support of changing the GATT patent extension for pharmaceutical products 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. 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 taken daily.

On average, it takes 12 years and $360 million to bring a new drug to market. Research-based pharmaceutical firms spend nearly $18 billion annually on research and development. This emphasis on R&D has produced treatments not only for common conditions and ailments but also for life threatening diseases. The United States invests more than any other nation on research. I have received numerous letters from patient groups that are very concerned that modifications to GATT will adversely impact research and development particularly on orphan diseases for which it is not feasible to develop generic equivalents. We must continue to increase our investment if we are to discover cures and effective treatments for diseases that continue to plague millions of Americans like AIDS, Alzheimer, Parkinson's Disease, and cancer.

Increased patent protection ensures that research and development will continue in, not only the medical field but also in all areas of innovation. This country leads the world in research and innovation, it contributes to the public good both here and abroad and every American benefits from our leadership. Changes to the GATT agreement that seek to repeal patent extensions for only one class of innovations are, in my opinion, shortsighted. Such changes will decrease private sector revenues for research and development, compromise U.S. leadership on intellectual property, and adversely impact the competitiveness of U.S. companies in relation to their foreign counterparts. They do nothing to provide greater access to affordable health care for consumers.

I have given careful consideration to all of these issues. I am convinced that the measures included in the GATT and the Hatch amendment will continue to increase the ability of U.S. industries to compete while also allowing low-cost generic equivalents to reach the market. It is for these reasons that I support the Hatch amendment and oppose the Pryor amendment.

Mr. COATS. Mr. President, this is an enormously complicated issue with very board implications. I understand that the Judiciary Committee has held hearings on the issue and that as a result, voted 10 to 7 to report out a bipartisan compromise. The compromise reached 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 demonstrated in court that they had made a substantial investment before June 8, 1995.

This requirement is contained in both the GATT implementing law and the generic drug approval process in the 1984 Hatch-Waxman law and applies to all generic manufacturers. The investment of a generic drug manufacturer would have to be more than merely the filing of an abbreviated new drug application [ANDA] for regulatory approval with the FDA, although the costs of an ANDA could be included.

There have been a lot of questions raised concerning how this transition would work and why, for example, certain industries have been singled out and required to meet special criteria before they can bring their product to the market. In reality, under both current law and the Judiciary Committee compromise, a generic company in any industry must go to court to prove substantial investment, in order to bring its product to market. There is a prevalent misconception that no other industry has to go to court to prove substantial investment. This is simply not true.

Others have asked why the Committee bill fails to permit expenses related to filing of an abbreviated new drug application [ANDA] to be counted toward the determination of a substantial investment. The expenses related to the filing on an ANDA are unique to the generic pharmaceutical industry. These activities would constitute patent infringement for any other industry. The intent of the GATT transition provisions is to allow those companies which had made capital expenditures—like building or expanding a plant, to market their imitator product during the patent extension period. A generic pharmaceutical company should only benefit from the same type of expenses available to all industries.

Finally, the opponents of the Judiciary Committee compromise argue that the Judiciary bill treats generic pharmaceutical companies unfairly. This could not be farther from the truth. In fact, the Hatch compromise offers the generic pharmaceutical industry special protections not available to any other industry. The Judiciary bill would permit a generic pharmaceutical company to collect damages from the innovator company if litigation between the innovator and generic companies caused an unwarranted delay an imitator drug to the market. No other industry is afforded a similar benefit.

Mr. President, it seems to me that the compromise reached by the Judiciary Committee is both thorough and fair. It answers the questions that have been raised and does so in a very well thought out manner. This is a difficult issue and I appreciate the enormity involved in reaching an agreement. While I would have preferred using the normal Committee route to bring this legislation to the floor, I intend to support it.

Mr. KENNEDY. Mr. President, I want the Senate to overwhelmingly support the Pryor-Brown-Chafee amendment, which is the text of the Prescription Drug Equity Act. It is difficult to understand why it has taken over 6 months for this bill to return to the floor for a vote. The legislation proposed by Senator PRYOR, Senator BROWN, and Senator CHAFEE achieves the result clearly intended by the GATT treaty, and gives patients access to expensive drugs they should have had before now. Senate delay has cost American consumers, many living on meager incomes, millions of dollars. We owe it to them to close the Glaxo loophole today.

GATT was intended to give longer patent terms to all patent holders. But, those drafting the legislation to implement GATT recognized that longer patent terms would be an injustice for firms in many different industries who had been acting in good faith and preparing to market products based on the patent expiration date under prior law.

The GATT implementing law dealt with this problem through a fair compromise, by permitting such firms to begin marketing their products on the

pre-GATT expiration date, if they had made a ''substantial investment'' or commenced product activity before June 8, 1995. The firm must, however, pay the patent holder a fair price.

Unfortunately, a mistake was made. Laws affecting all other industries were modified to reflect the compromise, but not the pharmaceutical industries. By an accidental oversight, Congress failed to amend the relevant FDA law. As a result, generic drug companies that had planned in good faith to market products in reliance on the old law have been prevented from taking their products to market as planned. The result is an unintended windfall worth vast sums to a handful of brand-name pharmaceutical manufacturers. One company in particular—Glaxo-Wellcome—has benefited immensely from this windfall. To date, out of a total windfall of an estimated $700 million; Glaxo-Wellcome alone has received $550 million.

What has happened since discovery of the loophole is a lesson in greed. First, Glaxo and the other brandname manufacturers began an intense lobbying campaign to prevent this inadvertent mistake from being corrected. They claimed that correcting it would undercut pharmaceutical research and development. But the windfall was completely unexpected. Correcting the mistake will not deprive pharmaceutical companies of any funds budgeted for research and development. In fact, corporate profits, not research and development, will be the prime beneficiary of the windfall.

Brand-name manufacturers also claimed that the correction would undermine the GATT Treaty and weaken the United States in world trade. That's nonsense. Every other industry in America is living successfully and trading successfully under the GATT compromise, and so can Glaxo-Wellcome and other firms that are reaping these windfall profits.

Once it became clear that the Senate would take action, brand-name manufacturers helped shape the so-called Hatch ''compromise,'' which is no compromise at all. Secretary of HHS Shalala has said that the Hatch bill would be ineffective in giving generic drugs the same benefits available to other industries under GATT. The Hatch proposal will lead to years of litigation. It is a one-sided deal that benefits Glaxo and other brand-name drug companies at the expense of the American consumer. The Senate is awash in crocodile tears and campaign contributions. This scandal has to end.

The Pryor-Chafee-Brown proposal corrects the error and achieves fairness for generic drug companies and consumers. The generic drug companies relied upon the law and made substantial investments to bring their products to market in good faith reliance on the prior law. They should not be penalized because Congress made a mistake.

Consumers should not pay more for pharmaceuticals as they are now doing because of this mistake. Let's not force American consumers to absorb the cost of Congress's mistake any longer. The Senate should stop this price-gouging, support the Pryor amendment, and close the Glaxo loophole.

Mr. PELL. I would like to clarify my understanding of some language contained in section 2(B) of the section of the pending amendment entitled Determination of Substantial Investment.

It is my understanding that this section of the legislation is meant to simply set a standard for a determination of ''substantial investment'' by a generic drug company at a level higher than the simple completion of paperwork and testing necessary for filing of an application submitted under section 505 or 512 of the Federal Food, Drug, and Cosmetic Act, the so-called ANDA, to the FDA. Is that so?

Mr. HATCH. That is correct.

Mr. PELL. In that regard then, is it correct to say that under the language of the amendment, when a company includes information in its ANDA which pertains to the capital investments it has made in bringing a product to the market, such as the building of plants, buildings, or equipment or investments in developing manufacturing processes or personnel, that that information can be fully used in court proceedings to prove its claim of substantial investment.

Mr. HATCH. That is correct. Evidence of plant construction, equipment, and the like are exactly the type of qualifying activities that the Judiciary bill contemplates.

Mr. PELL. To be perfectly clear then, under the amendment, generic drug companies will be able to use all of the information contained in their ANDA, in addition to any other evidence they wish, to assist in proving their claim of ''substantial investment'' in court.

Mr. HATCH. That is correct.

Mr. PELL. I thank the Senator for that clarification.

Mr. BRYAN. Mr. President, last week I joined my colleagues Senators PRYOR, CHAFEE, and BROWN in supporting and debating this loophole closing important amendment. I am glad that today we will get a vote on this issue.

As I said last week, 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.

The fact is that the prescription drug industry, through inadvertence and omission, has been given separate treatment—separate, distinct, special treatment—that no other industry or product in America receives.

Our amendment to correct this inadvertence has the endorsement of the U.S. Trade Representative, the Patent Office, and the FDA plugs this loophole.

Since last December, as these windfall profits have continued to accumulate, seniors across this country have continued to pay more than they should for certain prescription drugs.

The loophole is still 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 critical vote was taken—and by a margin of only 1 vote—48 to 49—the Senate defeated this important amendment.

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 what the outcome of this review was?

The Judiciary Committee did report out a substitute bill to our GATT amendment—albeit 5 months after our amendment was voted upon.

This substitute is called the Pharmaceutical Industry Special Equity Act of 1996. It has a somewhat ironic ring to it.

Who does it benefit?

It benefits the prescription drug industry in a very special way that is inequitable to American consumers, and particularly those on fixed incomes.

What we really are being asked to support today is a bill that CODIFIES—in my view codifies—the very GATT Treaty mistake our amendment is trying 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 the loophole.

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—the cholesterol lowering drug Mevacor, the ulcer drug Prilosec, and the anti-fungal agent drug Diflucan.

A bill that ensures that seniors across this Nation will pay more than they should for prescriptions drugs they need and that are essential to their health.

A bill that ensures American taxpayers will pay more than they should to provide prescription drugs for those essential programs offered by the Department of Defense, the Department of Veterans Administration and other agencies of the Federal Government which purchase prescription drugs on behalf of the clientele they serve.

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 keep 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 anti-inflammatory medicine.

So what has occurred here?

In my view, we have a situation 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 the 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 differently to ensure that generic manufacturers cannot—as a practical matter—compete against any brand-name drug benefiting from the extended patent period under the GATT Treaty.

Under the substitute bill, substantial investment is defined much differently. In addition, generic manufacturers are required to make a determination of equitable remuneration to the brand name manufacturer before any generic drug to be manufactured.

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.

Second, it will mean generic manufacturers will be tied up in court proving substantial investment and what is equitable remuneration before they can bring any generic drug to be marketed.

Two obstacles, two hurdles, two barriers that, as a practical matter, are going to be virtually insurmountable.

Who is being forgotten? Who gets hurt by 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 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 there ever was one. Its a special interest provision.

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 that 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 their own. They deserve and need our protection from an industry that is trying to ''codify'' a mistake to ensure their windfall profit margin.

I hope my colleagues can see both this loophole for the mistake it is—and this substitute bill for the even larger mistake it is.

We have the ability to end this inequity now. The vote you cast today is very clear. You vote for the pharmaceutical industry windfall, or you vote for seniors and all consumers who need fair drug prices. Please join me in stopping this travesty by supporting this amendment.

Mr. BYRD. Mr. President, Senator PRYOR has offered an amendment, of which I am a cosponsor, that would correct an unintended loophole created in the legislation implementing the General Agreement on Tariffs and Trade [GATT]. It is estimated that the loophole will ultimately result in a windfall profit of approximately $2.5 billion to certain drug companies. Congress must take the responsible course of action and correct its mistake by passing the Pryor amendment.

Time is running out to correct this matter. Each day of inaction results in increased costs to consumers. In addition, to those who argue that this is not the appropriate vehicle, this amendment will result in savings to the Department of Defense [DOD] via the cost of prescription drugs purchased through DOD health programs.

How did this loophole come about? When Congress enacted the Uruguay Round Agreements Act [URAA], the legislation implementing GATT, which I opposed, it extended all patent terms from 17 years from date of approval to 20 years from the filing date. In addition, the legislation allowed generic companies to market their products as of the 17-year expiration date if they had made a substantial investment and would pay a royalty to the patent holder. The carefully constructed transition rules were meant to apply to all industries. However, because conforming language to the Federal Food, Drug, and Cosmetic Act was inadvertently omitted, this provision does not apply to the generic pharmaceutical industry. The result is that the drug industry is the only industry that is shielded from generic competition under GATT during the extended patent term.

The U.S. negotiators indicated that it was not their intent to exclude the pharmaceutical industry from this provision, and that the omission of the conforming language was an oversight. According to former-U.S. Trade Representative Mickey Kantor in a letter to Senator CHAFEE,

> This provision [the transition rules] was written neutrally because it was intended to apply to all types of patentable subject matter, including pharmaceutical products. Conforming amendments should have been made to the Federal Food, Drug and Cosmetic Act and Section 271 of the Patent Act, but were inadvertently overlooked.

This oversight means consumers are paying more for their drugs than would otherwise have been the case. If generic drug companies cannot bring their versions of drugs to market under the transition rules, consumers will be forced to continue to pay more for their prescriptions. As I stated previously, nationwide, it is estimated the total cost to consumers may be $2.5 billion. It has already cost consumers a great deal. The loophole is taking money out of the pockets of consumers and adding additional costs to public health care programs that are currently putting a strain on Federal and State budgets. We should not delay passing this legislation any longer.

Senior citizens are especially impacted by this Congressional oversight. Although seniors comprise 12 percent of the population, they use one third of all prescription drugs. At the same time, seniors live on fixed incomes and oftentimes experience difficulty in affording their prescriptions. It is outrageous that Congress would worsen the situation of seniors, and others who depend on prescription drugs, by failing to enact legislation to correct this Congressional oversight.

Mr. President, this situation can easily be remedied by adopting the Pryor amendment. I urge my colleagues to support the Pryor amendment and to oppose the substitute bill reported by the Judiciary Committee. The Judiciary Committee version does not fix the loophole. It will not ease the burden this unintentional oversight by the Congress has placed on the elderly, veterans, consumers, and taxpayers. The Secretary of Health and Human Services, in a letter to Senator PRYOR on the effect of the Judiciary Committee bill, states,

> In brief, despite the bill's declared intent to eliminate the unequal treatment of generic drugs created by the URAA, S. 1277 as ordered reported would be ineffective in affording generic drugs the same transitional period benefits given to other technologies, leaving the generic drug industry for all practical purposes at the same disadvantage as under current law.

The Judiciary Committee bill would result in lengthy litigation keeping generic drugs off the market and the costs of certain prescription drugs high for consumers. Whereas other industries may go to market first and then have the questions regarding substantial investment and equitable remuneration decided by the courts, the

substitute would require these issues to be determined before a generic drug could be marketed. In addition, although the legislation implementing GATT does not define substantial investment, the substitute includes a definition of substantial investment that is extremely onerous. The bottom line is that the substitute will not remedy the situation and consumers will be left to pay the price as they are now because of Congress' failure to adopt the Pryor amendment when it was brought up last December. Let us not squander this additional opportunity Senator PRYOR has given the Senate to do the right thing. I urge my colleagues to pass the Pryor amendment.

Mr. KEMPTHORNE. Mr. President, the issue of pharmaceutical patents under the General Agreement on Tariffs and Trade [GATT] has been under review by this body for some time. Well respected individuals—from the Senate, from the Administration, and from the private sector—weighed in on both sides of the issue. Last December, I joined my Senate colleagues in voting to send this matter to the Judiciary Committee for hearings because I felt many questions remained unanswered about how certain patents were treated under the GATT. With no clear legislative history to follow, I believed—and still believe—it was important for Congress to carefully review the issue and get to the heart of the matter.

I am pleased to note that my distinguished colleague from Utah, Senator HATCH, followed through on his commitment to hold hearings on pharmaceutical patents and the GATT, just as I knew he would. With his long history on addressing issues of concern to the generic drug industry, I had no question that he would do all he could to get to the bottom of this issue. The subsequent hearings were sorely needed so that the Senate could adequately consider the ramifications of the various courses of action proposed on this matter. Taking some time to adequately review an issue leads to better legislation and better results for Americans. This is a serious matter, and deserved serious and thoughtful review.

Since those hearings concluded I have carefully reviewed the record on this complex issue. Based on this information, I have concluded that the question at hand is indeed the result of a drafting oversight in the GATT implementing language, and, as a result, I will support the amendment offered by my colleague from Arkansas, Senator PRYOR.

I believe very valid concerns were raised when this amendment was first introduced. Because of this, it is not an easy task to choose between amendments offered by my two distinguished colleagues. In this case, however, I feel the right decision is the one which restores fairness to this matter. The generic drug manufacturers moved ahead with their plans on the good faith effort that they would be treated the same as other industries with similar circumstances. They believed, in good faith, that under the GATT they would be able to proceed to market, with some new limitations, on the same timetable which existed prior to Senate passage of the GATT implementing legislation. Only the Pryor amendment allows us to bring about what I believe is the fairest possible solution.

This is the primary reason why I cannot support the amendment being offered by the Senator from Utah. I understand and respect his concerns on this issue. I, however, am concerned about whether under his amendment, the generic pharmaceuticals will be able to get to market in a timely fashion. While the Senator's amendment offers some relief to the generic drug makers if they are unnecessarily prevented from going to market, I do not believe it truly restores fairness. It also does not offer any protection to the consumers who will be saddled with higher drug prices during the interim.

Another issue which must be addressed is that of medical research. I have heard the concern expressed that if the Pryor amendment becomes law future research into new and improved pharmaceuticals will not occur or will be significantly reduced. I simply do not believe this is true. Even if the Pryor amendment is adopted, the research-based pharmaceutical manufacturers will benefit more than if the GATT had not been approved. The claim that only the granting of an exclusive patent extension will guarantee future advancements in pharmaceutical research is an argument I do not accept.

The Pryor-Brown-Chafee amendment will get certain generic medications into the hands of the people within the time frame all parties reasonably expected prior to the passage of the GATT implementing legislation, saving consumers and the Government millions of dollars in the process. For this reason, I believe the amendment is the correct course of action for the Senate to follow.

Mr. HATCH. Mr. President, how much time do I have left?

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

Mr. HATCH. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I ask unanimous consent for 4 minutes to make final remarks on this amendment.

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

Mr. THURMOND. Mr. President, I rise as a cosponsor and in support of the second degree amendment offered by Senator HATCH. The underlying PRYOR first degree 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 authorization bill is not the proper vehicle on which to debate the Pryor amendment. Unfortunately, we are now having to debate this contentious intellectual property issue and I am compelled to support the second degree amendment offered by the chairman of the Judiciary Committee, Senator HATCH.

The second-degree amendment reflects the bipartisan compromise agreed upon by the Judiciary Committee. Senator HATCH has spoken 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 that does not avail itself to full discussion. I urge my colleagues to support the second-degree amendment which is essentially the compromise language already approved by the Judiciary Committee.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). The question is on agreeing to the amendment of the Senator from Utah, amendment No. 4366.

Mr. HATCH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4366 of the Senator from Utah. The yeas and nays have been ordered. The clerk will call the roll.

Mr. SIMPSON (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—53

Abraham	Gramm	McConnell
Ashcroft	Grams	Mikulski
Bennett	Grassley	Moseley-Braun
Biden	Gregg	Murkowski
Bond	Harkin	Nickles
Burns	Hatch	Nunn
Campbell	Heflin	Pell
Coats	Helms	Rockefeller
Cochran	Hollings	Roth
Coverdell	Hutchison	Santorum
D'Amato	Inhofe	Shelby
DeWine	Johnston	Specter
Dodd	Kassebaum	Stevens
Domenici	Kyl	Thomas
Faircloth	Lautenberg	Thompson
Frahm	Lieberman	Thurmond
Frist	Lott	Warner
Gorton	Mack	

NAYS—45

Akaka	Dorgan	Levin
Baucus	Exon	Lugar
Bingaman	Feingold	McCain
Boxer	Feinstein	Moynihan
Bradley	Ford	Murray
Breaux	Glenn	Pressler
Brown	Graham	Pryor
Bryan	Inouye	Reid
Bumpers	Jeffords	Robb
Byrd	Kempthorne	Sarbanes
Chafee	Kennedy	Simon
Cohen	Kerrey	Smith
Conrad	Kerry	Snowe
Craig	Kohl	Wellstone
Daschle	Leahy	Wyden

ANSWERED ''PRESENT''—1

Simpson

NOT VOTING—1

Hatfield

The amendment (No. 4366) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. HATCH. Mr. President, I move to lay it on the table.

The motion to lay on the table was agreed to.

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

Mr. PRYOR. Mr. President, earlier today the Senate agreed to a unanimous-consent request agreement whereby at this point I would be recognized to offer the Pryor-Chafee-Brown amendment. This last vote, of course, was an up or down vote on the amendment offered by the Senator from Utah.

Mr. President, I think the Senate has spoken. I am sorry the Senate spoke in this manner, as we lost some key Senators who had supported our position before. But that is the prerogative of each Senator.

Mr. President, I see no real reason to put the Senate through this vote again because I think there would probably be no changes. Therefore, I congratulate the Senator from Utah in his real win today. I thought we were within about one or two votes difference, but evidently that was not the case. I do feel, Mr. President, and I would like to say that I think, ultimately, this correction needs to be made in the GATT treaty. I feel very, very strongly about this.

If there is another way to frame this issue, or another way on another day to have a debate on this matter so that we can have more competition in the drug market, then I am going to, once again, rise on this floor and try to present that case to my colleagues.

Once again, I congratulate the Senator from Utah. I think I know when I am defeated. I think today we were defeated. I am very sorry for the outcome. But the Senate, Mr. President, has spoken, and I bow to the will of this great body.

Mr. HATCH. Mr. President, I want to compliment my colleague. I have been debating with our fellow Senators here for 20 years, and I have to say that no one has worked me over with greater regularity, or in a nicer way and with greater decency, than my dear friend from Arkansas. I do not think anybody in this body is going to miss him any more than I.

This has been a very difficult debate. The Senator from Arkansas is very sincere. He believes in what he is doing. He made arguments that I know he believed. I want everybody to know that I am very sincere, too.

I really believe in this GATT treaty.

My Committee has jurisdiction over patent, copyright, and trademark issues and I have worked with these issues during my whole Senate career.

I believe this is a tremendously important issue.

Although my colleague and I differ here today—and I feel badly that my colleague feels badly—I know that nobody could have put up a more noble or hard fight than he did. I hope that this is now resolved.

There are two good sides to this issue.

Senator PRYOR is trying to help consumers. I am trying to help consumers. We have people on the outside trying to malign both of us, and both of us are trying to do our jobs in the Senate. We just happen to disagree on how it should be done.

I respect my colleague from Arkansas.

I also want to pay particular tribute to the distinguished Senator from Pennsylvania, Senator SPECTER, who has worked long and hard to try and make the agreement that came out of the Judiciary Committee one that would function and work.

I pay tribute to my distinguished ranking Democrat leader on the Judiciary Committee, Senator BIDEN, who, I think, made a real difference on this matter with the suggestions he made.

Last but not least, Senator HEFLIN played a significant role in this, as has Senator THURMOND, and others.

I will not take any more time of the Senate. I want everybody to know that I appreciate those who voted with us, and I respect those who voted against us—especially my dear friend from Arkansas.

Mr. PRYOR. Mr. President, if I might respond by thanking the Senator for his very kind and generous words. I am deeply grateful for that. I have enjoyed a splendid relationship with Senator HATCH through this fight and other issues. He has always been a gentleman in every respect. He is a very eloquent adversary, I might say.

Mr. President, I also want to say a special word of thanks to the Senator from Rhode Island, Senator CHAFEE, who has been our ally in this fight, not only in the Senate Committee on Finance, but on the floor of the Senate. He and his staff have been unfailing in their support. We are very grateful for the opportunity to work with him and by his side. Also, I thank the Senator from Colorado, Senator BROWN, and the other cosponsors of this particular amendment.

Once again, Mr. President, I see no need to put the Senate through this vote again. I guess I will ask the leadership if they would like to attempt to vitiate the unanimous-consent agreement.

Mr. President, I yield the floor.

VOTE ON AMENDMENT NO. 4365, AS AMENDED

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 4365 by the Senator from Arkansas, as amended by the Senator from Utah.

The amendment (No. 4365), as amended, was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, if no other Senator seeks recognition, I have a brief statement I will make. But I will be glad to yield the floor if another Senator wishes to proceed with an amendment.

Has the Pastore rule run its course for the day?

The PRESIDING OFFICER. We are calculating. The Pastore rule expired at 12:30.

Mr. BYRD. I thank the Chair.

Mr. President, I will yield the floor to the distinguished Senator from Georgia with the understanding that I do not lose my right to the floor.

AMENDMENT NO. 4367

(Purpose: To require the President to submit a report on NATO enlargement to Congress.)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, Mrs. HUTCHISON, Mr. BRADLEY, Mrs. KASSEBAUM, and Mr. COHEN, proposes an amendment numbered 4367.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. NUNN. I thank the Senator from West Virginia.

I yield the floor.

LETTING GO OF THE ONES WE LOVE

Mr. BYRD. Mr. President, earlier today, Senator Leahy rose to pay tribute to his late mother, Alba LEAHY, who passed away last month. It was a beautiful tribute, filled with memories about the love that his mother radiated throughout her life and about the people which that love nourished. I was moved by reading Senator LEAHY's remarks. The memories he conveyed were so vivid because, some 14 years ago, I sustained a great loss. Upon two or three occasions, I attempted to make reference to that loss and give a tribute to my departed grandson.

I came to this same Senate floor and gave a eulogy for my grandson, and it was a very difficult thing to do. And I know that Senator LEAHY's remarks today were very hard for him to deliver.

Letting go of those whom we love is one of the most trying experiences, if not the most trying experience, in human existence. But looking back over a road of 78 years, it seems to me that much of life is about the seemingly simple process of letting go. It begins early in our human experience, as we let go of the security of our mother's arms, our mother's lap, of our favorite toys—if we were fortunate enough to have any toys—of childhood friends, of the house in which we grew up, our favorite teachers, and the blissful security of being still a child.

It continues throughout life, as we let go of our youth, as we watch our children grow up, as we watch them go away, as we say our final goodbyes to our parents and other loved ones, and at last we let go even of our own earthly existence to progress along the pathway to an unknown final destination.

Somehow, although we spend our lives letting go and moving on, it never becomes any easier. The practice never seems to make perfect; never seems to ease the pain of all of the goodbyes. The best that we poor humans can do is to handle the letting go with a modicum of dignity, to soothe the outward signs of pain with ceremony and nourish the lingering void inside with the sustenance of memories.

So, today Senator LEAHY shared some of his precious memories with all of us here in the Senate. He had told his mother that he would deliver such a eulogy. At the time he talked about it with her, he thought that the time that eulogy would be expressed was perhaps some years away. But we have no way of knowing what another day will bring forth.

He bade his wonderful mother a beautiful farewell. But, as with all farewells, things will forever be changed. There are relationships and rituals in the Leahy family often, but nothing will ever be quite the same anymore.

As Senator LEAHY and his family traverse the familiar but ever difficult process of letting go, my heart goes out to them. But, as he already knows, and as is so evident in his beautiful tribute to his mother's life, as they always do, the memories will never cease to sustain us.

Let Fate do her worst, there are relics of joy,
Bright dreams of the past, which she cannot destroy;
Which come, in the night-time of sorrow and care,
And bring back the features that joy used to wear.
Long, long, be my heart with such memories filled,
Like the vase in which roses have once been distilled,
You may break, you may shatter the vase, if you will,
But the scent of the roses will hang round it still.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I thank my dear friend from West Virginia. I have been privileged to serve with him for now 22 years, and I daresay that everything I have learned about the rules and protocol of this body I have learned from him. But I have learned far more than that.

I have learned from my good friend from West Virginia the special bond that Senators have. It really goes beyond party, or region, or anything else. And when my good friend from West Virginia, Senator BYRD, called me the weekend my mother died, when I was at my farmhouse in Vermont, his words touched me as a friend, as a Senator, as a colleague, and as one who knew my mother and knew my late father. His words were a great comfort to me and to my family at that time, as they are today.

He is right. There are times, of course, when we have to let go in our lives. I know the great tragedy that the Senator from West Virginia had in his own life more than a decade ago—almost a decade and a half ago now. I recall sitting in his office on a rainy evening once when we talked of that great tragedy. I could understand, not from a parental or grandparental feeling, but more through my own experiences as a prosecutor. I grieved for him, and I know how much he has grieved over the years since then. But I think he found during that time, and since, that it is his own friends and the words and thoughts of those friends that helped him just as he helps me in this.

So I do thank him for doing that. I told my good friend from West Virginia that among my mother's possessions were letters that he had sent her on different occasions—birthdays, and whatnot. Among the things she had collected were speeches of his in the CONGRESSIONAL RECORD and poems that he had spoken.

He is the only person I have ever seen who is able to recite poetry of all types at great length with nary a note. She read those. And in the later years, when her eyes failed, I would read to her ''The History of the Senate.''

So, my friend, thank you.

I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, at the outset, I would like to add my sympathy and my condolences to my friend, Senator PAT LEAHY. I would not have known but for the eloquence of the Senator from West Virginia. Certainly, I know that all of us join in our thoughts and prayers at a very sad time.

(The remarks of Ms. MOSELEY-BRAUN pertaining to the introduction of S. 1911 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

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

CONDEMNATION OF TERROR ATTACKS IN SAUDI ARABIA

Mr. HELMS. Mr. President, I send a Senate resolution to the desk and I ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (S. Res. 273) condemning terror attacks in Saudi Arabia:

S. RES. 273

Whereas on June 25, 1996, a massive truck bomb exploded at the King Abdul Aziz Air Base near Dhahran, in the Kingdom of Saudi Arabia;

Whereas this horrific attack killed at least nineteen Americans and injured at least three hundred more;

Whereas the bombing also resulted in 147 Saudi casualties;

Whereas the apparent target of the attack was an apartment building housing United States service personnel;

Whereas on November 13, 1995, a terror attack in Saudi Arabia, also directed against U.S. personnel, killed five Americans, and two others;

Whereas individuals with ties to Islamic extremist organizations were tried, found guilty and executed for having participated in the November 13 attack;

Whereas United States Armed Forces personnel are deployed in Saudi Arabia to protect the peace and freedom secured in Operations Desert Shield and Desert Storm;

Whereas the relationship between the United States and the Kingdom of Saudi Arabia has been built with bipartisan support and has served the interest of both countries over the last five decades and;

Whereas this terrorist outrage underscores the need for a strong and ready military able to defend American interests.

Resolved, That the Senate—

(1) condemns in the strongest terms the attacks of June 25, 1996, and November 13, 1995 in Saudi Arabia;

(2) extends condolences and sympathy to the families of all those United States service personnel killed and wounded, and to the Government and people of the Kingdom of Saudi Arabia;

(3) honors the United States military personnel killed and wounded for their sacrifice in service to the nation;

(4) expresses its gratitude to the Government and the people of the Kingdom of Saudi Arabia for their heroic rescue efforts at the scene of the attack and their determination to find and punish those responsible for this outrage;

(5) reaffirms its steadfast support for the Government of the Kingdom of Saudi Arabia and for continuing good relations between the United States and Saudi Arabia;

(6) determines that such terrorist attacks present a clear threat to United States interests in the Persian Gulf;

(7) calls upon the United States Government to continue to assist the Government of Saudi Arabia in its efforts to identify those responsible for this contemptible attack;

(8) urges the United States Government to use all reasonable means available to the Government of the United States to punish the parties responsible for this cowardly bombing and;

(9) reaffirms its commitment to provide all necessary support for the men and women of our Armed Forces who volunteer to stand in harm's way.

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. HELMS. Mr. President, I wish to stress that this is a bipartisan resolution, and I wonder if I might ask the distinguished clerk to read the cosponsors so that they might be shown in the RECORD.

The assistant legislative clerk read as follows:

Mr. HELMS, for himself, Mr. PELL, Mr. LOTT, Mr. DASCHLE, Mr. BROWN, and Mrs. FEINSTEIN.

Mr. REID. Mr. President, I ask unanimous consent that I be allowed to be listed as a cosponsor of this measure.

Mr. HELMS. I thank the Senator.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent to also be added as a cosponsor.

Mr. HELMS. I certainly thank the Senator.

Mr. BRYAN. Mr. President, I likewise ask unanimous consent that I be added as a cosponsor.

Mr. HELMS. I thank all three Senators.

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

Mr. HELMS. Mr. President, all decent and honorable human beings join in the condemnation of the brutal terrorists who participated in Tuesday's cowardly and contemptible attack on United States military personnel in Dhahran, Saudi Arabia.

All of us send our condolences to the families of the 19 brave Air Force servicemen and women who died in the attack, and we offer our prayers to the hundreds of wounded U.S. military personnel.

This tragedy has touched my home State of North Carolina. Airman 1st Class Paul Blais of Kinston was among those killed in the bombing. We send our condolences and prayers to his family. Also we convey our deepest sympathies to the people and the Government of Saudi Arabia for the many scores of Saudi citizens who were wounded in the attack.

Mr. President, the United States is a world leader, a nation with global responsibilities, and is therefore necessarily obliged to assign young Americans in uniform to almost every corner of the world to protect the interests of the American people and our allies.

When and wherever young Americans sacrifice their lives we are reminded of the big price paid to maintain America's global obligations. This price has been especially high in Saudi Arabia, where another bombing last November killed five Americans. Despite the cost, Mr. President, we must stand firm in our support for Saudi Arabia.

Terrorists will not and cannot drive the United States out of Saudi Arabia. U.S. interests in that country, and in the Persian gulf, are clear and compelling. We have a vital national interest in maintaining the stability of this strategically important region and shielding our friends in the gulf from the expansionist designs of rogue regimes in Iran and Iraq.

Mr. President, since the dust has barely settled from the blast, the facts are not yet entirely clear. Nobody yet knows who is responsible for this cowardly attack. I am confident that our Saudi friends will make every effort to apprehend and punish those guilty of this outrage and if this bombing turns out to be the work of a hostile foreign government, I hope that the President will respond swiftly and harshly.

Through this tragedy, we must remember to thank our friends in Saudi Arabia for their rescue efforts, which have won praise from United States officials. We should be grateful for the lives that may have been saved by their prompt reaction.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I join with my colleague from North Carolina and applaud his action and believe that all of us obviously share his view, his outrage and his sorrow, especially for the young man from the State of North Carolina who was killed.

I also think we should consider some salient facts. One is that this is not the first act of terror that has been committed in Saudi Arabia. It is not the first time that American lives have been lost. Last November, there was another bombing. I think it is very important for us to recognize that this administration has an obligation to take every possible measure to protect the lives of these young men and women in Saudi Arabia.

Since the last bombing in November, the President of the United States held an antiterrorism summit which took place at a resort in Egypt. I have no idea how many millions of dollars it took to provide security. There was 240 minutes of opening statements made at this antiterrorism summit, 40 minutes of discussion, and then all participants went out for a nice photo-op where they all, in an almost teenage fashion, raised each other's arms in the air and celebrated the end of terrorism.

To my knowledge, Mr. President, there was no concrete action taken as a result of this photo-op antiterrorism summit. So now we have the next tragedy and the next outrage. What is the President of the United States going to do? He is going to raise it at the G–7 Summit and make the G–7 Summit an antiterrorism summit.

Meanwhile, the Secretary of State has just gone back to Damascus again. I remind my colleagues that Syria is still a nation listed as a terrorist nation by the State Department. I might point out it was his 25th trip to Syria.

I saw Mr. Netanyahu, the new Prime Minister of Israel, last night, and he made a very important point I think, and that is that first we have to have security before we can have peace.

Perhaps some people have those priorities reversed. If we want to stop terrorism, we do not attack it at the end of the line, the end of the chain where the act of terrorism takes place. We go to the source.

I do not know whether this act of terror or the one before were orchestrated from within and are simply part of the internal Saudi Arabian situation—although I should note that four individuals were beheaded by the Saudis recently because they were supposed to have been the culprits in the November bombing that took five American lives. I do not think many of us think that trading of lives is really a satisfactory answer, which emphasizes my point of the President taking care of the problem after rather than before it has done the damage. But I also do not know, nor do any of us yet know, if this act of terror was orchestrated from without, by well-known terrorist organizations such as Hezbollah.

I am not an expert on acts of terrorism. I do know something about the conduct of warfare. From what I have seen of this act, it required a significant amount of sophistication, planning, and execution. Apparently, there were people who were seen in and around the compound, checking out the security points, passers-by asking questions, and of course, as we know, a warning was sounded but, unfortunately and tragically, too late. But I suggest, if it is Hezbollah or if it is another terrorist organization which has

been provided training by either the Iranians or the Syrians, then I suggest we should respond and respond in the strongest fashion.

I do not say every situation is similar, but I do remember with great clarity after the bombing of a cafe in Germany where American lives were taken, and we traced it back to Mr. Qadhafi, and there was a bombing raid on Mr. Qadhafi, Mr. Qadhafi has been very quiet ever since then—ever since. I do not suggest we bomb Damascus. I am not suggesting that we do anything to the Iranians militarily. That is a decision that the President as Commander in Chief makes, sometimes in consultation with the leaders of Congress.

What I am suggesting is that antiterrorism photo ops do not do the job. The United States should lead. The United States should urge our allies to cooperate and assist us. I think it is about time. There seems to be some problem between ourselves and our European allies as to how to treat Iran. I would remind our European friends—and they are indeed our close and dear friends—that there are 20,000 American troops in Bosnia as we speak, who have their lives on the line. We believe that Iran is a threat to the peace and security, not only of the West, but the men and women in our military.

So I applaud the Senator from North Carolina for his resolution. I know all of us support it. All of us share in the anguish and the anger and the sorrow of the families of Americans who have suffered death and injury in this latest outrage. Words do not adequately describe how strongly we feel about that.

But now, or very soon, our efforts should be made to prevent a recurrence of this tragedy, this kind of tragedy which has already happened twice in the country of Saudi Arabia. The answer is not to leave Saudi Arabia, Mr. President, in my view, because when we leave countries because Americans are killed, it only encourages our adversaries to kill other Americans in other countries. But we do owe these men and women who have volunteered to defend the Nation, not only every possible security measure—which I am sure is being taken as we speak—but we owe them a response. We owe a response to this act of terror, which will prevent further acts of terror from being contemplated by the evil that seems rampant through the world.

I yield the floor. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. NUNN. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. 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.

AMENDMENT NO. 4367

Mr. BROWN. Mr. President, I want to express my thanks to the distinguished Senator from Georgia. We have some difference of opinion over the NATO expansion amendment. The Senator has gone out of his way to advise me that he was going to offer it, and out of consideration, to let me have a copy in advance. And he also was kind enough to adjust the time of which he would offer it on the floor to fit my schedule. I was tied up in a meeting on Afghanistan I was chairing, and I could not be here. I think he exhibits exceptional courtesy. I want to express my thanks to the Senator from Georgia for his consideration.

Mr. NUNN. I thank the Senator very much. I look forward to working with him. As I mentioned, I have not spoken on this subject yet. But as I talked to the Senator from Colorado and the Senator from Arizona, it is my intent in this amendment, and the intent of all of us, not to tilt this amendment one way or the other, but, rather, to ask the questions that need to be asked before we make this very important decision about expanding an alliance where we extend article V protection. And article V protection includes nuclear protection. That is a very serious matter.

I think we have not started nor has the administration thought through nor has NATO thought through some of the tough questions here. We all have an obligation to do that. This could be a matter before the Senate for ratification of the expansion of the treaty next year.

So it is my intent to have questions that are tough questions, the hard questions, but also fair questions, on both sides. I invite my colleagues that may perceive that this is a tilt, one way or the other, to work on the language. And I would certainly be amenable to taking a look at their suggestions.

So Mr. President, I ask unanimous consent that this amendment be temporarily laid aside. We will continue to work on it. So we are open for amendment. I know Senator THURMOND and I, as managers of this bill, encourage people to come down with relevant amendments on the defense matter.

The PRESIDING OFFICER. Without objection the amendment is laid aside.

Mr. NUNN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. 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.

AMENDMENT NO. 4367

Mr. NUNN. Mr. President, in the interest of time, while we are waiting on an amendment to be presented, I will go ahead and make my remarks on the amendment which was pending and which has been temporarily laid aside.

This amendment has been offered on behalf of myself, Senator HUTCHISON, Senator BRADLEY, Senator KASSEBAUM, and Senator COHEN. I note at the outset this amendment is not intended to prejudice the case for or against NATO enlargement or even the pace at which NATO might enlarge.

The amendment requires the President to submit a report on NATO enlargement to the Senate Armed Services Committee and their counterpart committee in the House at the same time that the President submits the budget request for fiscal year 1998 to the Congress.

This amendment is designed to provide the information that will stimulate a comprehensive and informed discussion in the Congress on this important matter. If there are questions that are not in this amendment that people on the other side of the aisle or this side think should be added, I certainly would be receptive to that.

Mr. President, there have been a number of editorials and op-ed pieces favoring a rapid pace for NATO enlargement. These pieces generally focus on two aspects. First, on the positive side, the need for greater security for Poland, Hungary and the Czech Republic so they can continue on the road toward democratization and free market economies. On the second side is the need to ensure that Russia does not have a veto over the process by which NATO decides to enlarge.

There have also been a number of editorials and op-ed pieces opposing NATO enlargement. These opposition pieces tend to focus on the potential that NATO enlargement would have to produce the very thing that we are trying to prevent; namely, a Russian military threat to European security and also the impact it would have on Ukraine, Latvia, Lithuania and Estonia if those nations were not included in the first stage of NATO enlargement.

What is missing, however, are a number of other issues that are directly involved in NATO enlargement that have not been discussed in the various commentary on either side of the issue and that need to be carefully considered. This amendment provides for the President's report to comprehensively discuss a host of issues. In the interest of time, I will mention only a few of the issues for purposes of illustration.

What would the cost be for NATO enlargement and who would pay these costs? Certainly that is a question the American people are entitled to have us debate and actually examine and present. There ought to be at least some projection of that by the administration and by NATO.

Incidentally, the Congressional Budget Office has concluded a study on the cost of defending the Visegrad countries—that is Hungary, the Czech Republic, and Poland—over the 15-year period from 1996 through 2010. That study concludes that the cost would range from $61 billion to $125 billion. Whatever part of that range you choose, this is a substantial amount of money. It seems to me the Senate of the United States is not performing its duty if we do not tell the administration we want an answer to this question, at least their best projection, before they make a commitment committing this country, which, of course, would have to then be ratified by the Senate.

A second question: Since article V of the North Atlantic Treaty provides for a NATO member nation to treat an attack on one as an attack on all, what is the general strategy that NATO would adopt to defend the potential new member nations, including defense against a possible nuclear threat? Do we deploy forces? If so, are our allies prepared to join us in that deployment? Would it be American troops in those host countries without allies, or will allies join? Which allies are willing to join? These are questions that have to be answered.

The third question: The North Atlantic Council recently decided to create more deployable headquarters and more mobile forces to mount non-article V operations, as well as traditional collective defense missions and to develop a European defense identity within the alliance. The question is whether the enlargement of NATO should proceed prior to NATO's reorganization of its military command structure and the completion of the other actions required to carry out these decisions. How is the enlargement going to impact these kinds of fundamental changes in NATO beginning to prepare itself to operate out of an area, and vice versa?

The next question is whether an enlarged NATO can continue to function on a consensus; that is, a basis of unanimous consent, before major decisions are made. Here on the Senate floor we operate by unanimous consent. We know sometimes that is difficult. If we expand NATO, will we have a two-thirds rule, three-fourths rule, or say any nation, including one of the new nations that may come into NATO, would be able to veto any decision of NATO? That is a fundamental question that NATO, it seems to me, has to answer.

Another question regards the relationship of prospective new NATO members to the European Union and what the impact that gaining NATO membership would have on the possibility and timing of such nations gaining associate and then full membership in the European Union. What is the plan of the European Union? My impression of some of the countries is the main thing they need now is not a military protective shield but rather an economic expansion, economic trade opportunity and the ability to trade with the European nations and with other nations in the world. What are the Europeans going to do about opening the European Community to these nations? I know the administration is going to have to give their best estimate on this. Certainly we cannot speak for the Europeans. But at least it is something we ought to consider very strongly.

There is another very important part of this expansion that has not been talked about. What about the Conventional Forces Treaty? If we expand NATO enlargement, do we have to really do that treaty over? Because basically, the CFE Treaty allocated forces and tanks and artillery based on the two alliances that then existed. If part of that alliance now is on the other side, what does that do to the CFE Treaty? Of course, we hope at some point we will be able to say there are no sides in Europe, that they are all basically working together in peace, but I am not sure we have arrived at that point at this point in time.

The next question: The anticipated impact of NATO enlargement on Russian foreign and defense policies, including the emphasis Russia would place on defense planning on nuclear weapons. This at least has to be contemplated. Are we going to basically be prepared to respond if the Russians decide that they are going to go back to deploying tactical nuclear weapons because they do not have conventional defenses and if they perceive this enlargement as being a threat? I am hoping they will not have that perception as we move forward in this regard, but it has to be carefully considered because it will affect tremendously our response and the cost and the question of deploying American forces. All of these are important questions that need answers.

Another question: The impact a NATO enlargement would have on the political, economic, and security well-being of the nations, such as Ukraine, Latvia, Lithuania, and Estonia, if they are not included in the first stage of NATO enlargement.

Mr. President, this is a sampling of the issues that the President would report on. I stress once again that this amendment was not drafted and is not designed to prejudice the case either for or against NATO enlargement or the pace of NATO enlargement, but it does require the administration to begin to think through important issues and questions, tough questions in my view, and lay them out on the table. They need to be on the table so that the Congress and the American people can start to consider the matter of NATO enlargement in a comprehensive and informed manner.

If there are other questions that need to be added to this amendment that some Members are concerned about, I would be pleased to consider that language and to work with my colleagues on that.

Finally, I would note that the ultimate question that the Senate will have to address with respect to the ratification of any agreement to enlarge NATO, and that both the Senate and House will have to address with respect to the funding of the costs associated with NATO enlargement, is the question of extending our nuclear umbrella over any new NATO members.

Mr. President, this is an extraordinarily serious decision, and I hope that a comprehensive report by the President, which is called for in this amendment, would provide much of the information needed for the debate on that question, and, most important, I hope it will stimulate the kind of in-depth thinking that we need to have on this issue.

Mr. President, I know that my colleagues who have cosponsored this—Senators HUTCHISON, BRADLEY, KASSEBAUM and COHEN—would like to speak on this subject at some point as we consider it. At this point in time, I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, on this amendment, I think it is unfortunate timing to start with. Russian elections are coming up in barely a week. We all know the incredible sensitivity that issues like these have during a political campaign. I am not sure if a debate on the floor of the Senate concerning the enlargement of NATO is appropriate at this time.

Let me also say, Mr. President, that I have given a cursory review to some of the provisions of the bill. I appreciate the fact that the Senator from Georgia would be agreeable to other questions, but I also suggest that there are questions that are raised here that really have no answer, or have a very negative connotation.

Here are just a few examples:

The extent to which the European Union has opened its markets to prospective new NATO members?

What would that have to do with membership in NATO? That is none of our business. I do not know how you answer this question, or how anybody in the Pentagon could answer this.

The relationship of Russia with NATO, including Russia's participation in the Partnership for Peace Program and NATO's strategic dialog with Russia?

That is related as to how we approach Russia, related to who is conducting our foreign policy and foreign affairs. I can give the Senator right now several different scenarios in which they would all be the right answer, depending on what happened.

The anticipated impact of NATO enlargement on Russian foreign and defense policies, including in particular the implementation of START I, the ratification of START II, and the emphasis placed in defense planning on nuclear weapons.

I say to the Senator from Georgia, again, that is directly related to who

the President of the United States is, who the President of Russia is, who the Defense Minister of Russia is, and our relations with Russia over time. To ask that question, in my view—there is no answer to it because it is directly related to events, as to who the President of Russia is. I say right now, if Mr. Zyuganov wins the election, you will have one answer; if Mr. Yeltsin wins, you will have another answer. They will be dramatically different.

I still do not understand the effect that the gaining of membership in NATO by a nation would have on the possibility and timing of that nation gaining associate membership and subsequently full membership in the European Union. Again, that eludes me, as to what membership in the European Union has to do with membership in NATO.

Let me pursue it.

The extent to which prospective new NATO members are committed to protecting the rights of all of their citizens, including national minorities.

Should we now have a review of present members of NATO and how they treat the rights of their citizens, including minorities?

The extent to which prospective new NATO members have established democratic institutions, free market economies, civilian control of their armed forces, including parliamentary oversight of military affairs and appointment of civilians to senior defense positions, and the rule of law.

I would suspect strongly that unless they were in compliance with those, there would be no prospect of them being engaged.

The strategy by which attacks on prospective new NATO member nations would be deterred, and, if deterrence fails, defended, including whether the strategy would be based on conventional forces or on nuclear capabilities. If based on conventional forces, the extent to which the strategy would be based on host nation forces and the extent to which it would be based on NATO reinforcement.

I say to the Senator from Georgia, it would be the same policy that applies to every nation that is a member of NATO and would be directly related to the crisis and situation at the time. If there is a ground attack in one part of NATO that could be countered by conventional forces, then, clearly, you do not launch a hydrogen bomb.

The thrust of these questions, I say to the Senator from Georgia, or of these requirements, whether they are intended to or not, would, frankly, to the uninitiated, portray a situation where the United States of America is departing from our traditional position and role in Europe, which is to abide by the fundamental premise of NATO, which is that an attack on one is an attack on all; and that, with the expansion of NATO, I say to the Senator, cannot be violated. And the response is directly dictated by the kind of attack, the kind of threat it is, and the commitment on the part of the United States and our allies is directly related to that.

If the Senator from Georgia can envision every possible scenario that would be an attack on a new member or old member of NATO, then fine. But I do not see how anyone has the kind of clairvoyance to know exactly what that would be.

So the fundamental premise of NATO, as I understand it, of the Atlantic Alliance is that, if one nation is attacked, then all are attacked, and all will join in response to that attack. But nowhere in NATO doctrine do I see an ironclad, dictated response to an attack, because it depends on the kind of attack; it depends on what the threat is. If it can be countered, obviously, by a short-term conventional response, that is fine. But if there is a nuclear attack, clearly, there is a nuclear response, as well.

Mr. NUNN. If the Senator will yield, I want to ask something on another subject. I have a meeting to try to move this bill along back here in the other room. It is one of those things that happens to all of us. I need to be in two places at one time. But I know the Senator from South Carolina would like for me to give my first priority to working out some agreements to move the bill along.

I would like to thank the Senator for yielding and say that I support the Harkin amendment. He will bring that up when he gets the floor. That has been cleared on both sides, I believe. I will be available to Senator THURMOND in Senator DASCHLE's office, if I am needed.

Mr. MCCAIN. Could I say, first of all, I understand the concerns that the Senator from Georgia has. I believe he is correct and that these questions must be answered. There has to be a clear definition of exactly what the United States is going to do.

What I ask the Senator is, perhaps we can sit down and maybe simplify these questions to some degree, so that we can get answers to the questions, but in a realistic fashion, and one that might be agreeable to this side. Would that be all right?

Mr. NUNN. I would be glad to work on that with my friend from Arizona and my friend from Colorado. The amendment is temporarily laid aside.

I just ask this. I do not intend to have a second-degree amendment to it. I informed people that I was planning on doing that, and I wanted to accord other Senators a chance. I only ask that there not be a second-degree amendment while we have not laid it aside and are working in good faith on it.

Mr. MCCAIN. I thank the Senator from Georgia. Again, I appreciate what the Senator from Georgia is trying to find out. Those facts are going to have to be made known to the U.S. Senate and the American people prior to any two-thirds vote on the floor of the Senate that would accompany enlargement.

I am worried with setting a stage that might in some ways prejudge in a negative fashion what I think is critical for the future of the spirit of Europe.

Mr. President, earlier I stated on the floor when discussing Senator HELMS' amendment concerning the expression of sorrow over the tragedy that took place in Saudi Arabia that I had heard that the Secretary of State was going to Syria. That is not the case. I retract that remark.

I do think that I will stick to my previous statement, though, that 24 times he has been in Damascus, which is probably sufficient for some period of time. I do believe that the Secretary of State is doing a dedicated job. He is a fine and outstanding man, and in no way do I mean my remarks to be in any way a diminution of the very outstanding and dedicated work that the Secretary of State has done.

Mr. President, I believe that the Senator from Colorado who has a second-degree amendment with the Senator from Georgia, and perhaps we can craft an amendment and make changes in the amendment which hopefully would more narrowly focus the questions and be able to move forward with this very important amendment.

I want to state again. It is not healthy at this point for the U.S. Senate to debate the issue of the expansion of NATO with Russian elections coming up in just a few days.

I hope we can do whatever we can to avoid that at this time.

Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 4177, AS MODIFIED

(Purpose: To provide for defense burdensharing)

Mr. HARKIN. Mr. President, I call up amendment No. 4177, and I send a modification to the desk and ask that it be considered at this time.

The PRESIDING OFFICER. The clerk will report.

The clerk read as follows:

The Senator from Iowa (Mr. HARKIN), for himself, Mr. KERRY, Mr. CONRAD, Mr. LAUTENBERG, and Mr. DORGAN, proposes an amendment numbered 4177, as modified.

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

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

The amendment is as follows:

At the end of subtitle D of title X, add the following:

SEC. 1044. DEFENSE BURDENSHARING.

(a) FINDINGS.—Congress makes the following findings:

(1) Although the Cold War has ended, the United States continues to spend billions of dollars to promote regional security and to make preparations for regional contingencies.

(2) United States defense expenditures primarily promote United States national security interests; however, they also significantly contribute to the defense of our allies.

(3) In 1993, the gross domestic product of the United States equaled $6,300,000,000,000,

while the gross domestic product of other NATO member countries totaled $7,200,000,000,000.

(4) Over the course of 1993, the United States spent 4.7 percent of its gross domestic product on defense, while other NATO members collectively spent 2.5 percent of their gross domestic product on defense.

(5) In addition to military spending, foreign assistance plays a vital role in the establishment and maintenance of stability in other nations and in implementing the United States national security strategy.

(6) This assistance has often prevented the outbreak of conflicts which otherwise would have required costly military interventions by the United States and our allies.

(7) From 1990–1993, the United States spent $59,000,000,000 in foreign assistance, a sum which represents an amount greater than any other nation in the world.

(8) In 1995, the United States spent over $10,000,000,000 to promote European security, while European NATO nations only contributed $2,000,000,000 toward this effort.

(9) With a smaller gross domestic product and a larger defense budget than its European NATO allies, the United States shoulders an unfair share of the burden of the common defense.

(10) Because of this unfair burden, the Congress previously voted to require United States allies to bear a greater share of the costs incurred for keeping United States military forces permanently assigned in their countries.

(11) As a result of this action, for example, Japan now pays over 75 percent of the nonpersonnel costs incurred by United States military forces permanently assigned there, while our European allies pay for less than 25 percent of these same costs. Japan signed a new Special Measures Agreement this year which will increase Japan's contribution toward the cost of stationing United States troops in Japan by approximately $30,000,000 a year over the next five years.

(12) These increased contributions help to rectify the imbalance in the burden shouldered by the United States for the common defense.

(13) The relative share of the burden of the common defense still falls too heavily on the United States, and our allies should dedicate more of their own resources to defending themselves.

(b) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) Increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving the following percentages of such costs:

(A) By September 30, 1997, 37.5 percent.

(B) By September 30, 1998, 50 percent.

(C) By September 30, 1999, 62.5 percent.

(D) By September 30, 2000, 75 percent.

An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(4) Increase the amount of military assets (including personnel, equipment, logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide, including United Nations or regional peace operations.

(c) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (b) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation taxes, fees, or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(d) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (b);

(2) all measures taken by the President, including those authorized in subsection (c), to achieve the actions described in subsection (b); and

(3) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(e) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations) to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1997, in classified and unclassified form.

Mr. HARKIN. Mr. President, I also ask that Senators CONRAD, LAUTENBERG, and DORGAN be added as cosponsors.

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

Mr. HARKIN. Mr. President, I believe, as modified, this amendment is agreeable to the managers. It has been worked out. I thank them. I thank the manager and the ranking members for their help in working this out. I thank also my colleagues for their cooperation in working out this important proposal.

Basically, what this amendment, which passed the House recently by a vote of 353 to 62, would do is begin to ask our allies in Europe to pay a fairer share of the costs for their own defense. The CBO says this amendment would save taxpayers up to $11.3 billion over the next 6 years. I personally think we need to go even further in reducing the taxpayer subsidy for Europe and Japan's defense, but this is a major step in the right direction. It is a victory for deficit reduction and the American taxpayers.

Again, I thank the managers for their cooperation.

Mr. President, I rise to offer an amendment on behalf of myself, and Senator KERRY of Massachusetts, Mr. CONRAD, Mr. LAUTENBERG, and Mr. DORGAN that calls on our NATO allies to share more of the burden for maintaining stability in Europe and their own defense. This amendment is nearly identical to one on the House Department of Defense authorization bill that was agreed to by a strong bipartisan vote of 353 to 62 on May 14. The CBO has scored our amendment as saving $11.3 billion over the next 6 years.

It is time we stopped asking American taxpayers to underwrite the security of our European allies. We are all justifiably proud of the role American played in rebuilding Europe after World War II. The Marshall plan stands as a monument to American generosity and concern for our fellow citizens around the world.

We not only helped our wartime allies, but we aided our former enemies as they rebuilt their war-torn societies. Aiding our former enemies to restore

their society is the true mark of American generosity.

But that was then, and this is now. Times have changed.

Germany and Japan are no longer prostrate, exhausted from years of all-out war. Far from it. Germany and Japan are now economic giants, providing significant competition to the United States across a broad spectrum of industries.

After World War II, we were justified in stationing troops in Europe and Japan to restore basic order, to provide the security necessary for vibrant economies to flourish and grow. But now it is time for our allies to take over the cost of their own defense. Not only has the threat of world domination by the Soviet Union evaporated, but our allies now have the financial means and internal stability to provide their own defense.

In 1991 Japan agreed to pay for 75 percent of the costs of stationing United States troops on Japanese soil by this year, excluding salaries of United States servicemen and women, and United States civilian contractors. Mr. President, Japan has done what it promised. Our total nonpersonnel cost there is $5.8 billion and Japan contributes $4.6 billion or 79 percent. That contribution should increase further, but they are making progress.

Why can't our NATO allies pick up a larger share of their defense burden? This amendment allows them to increase their contributions in one or more of 4 areas to meet the goal of increased burden sharing.

The NATO allies' four options are:

First, gradually increasing their contributions over 4 years to 75 percent of the nonpersonnel costs incurred by U.S. military forces stationed on their soil. They currently contribute about 25 percent of the $8 billion annual costs.

Second, increasing their defense spending as a percentage of GDP by 10 percent or at least to a level equal to that of the United States by September 30, 1997. Although U.S. defense spending is declining, the spending by the NATO Allies is declining more rapidly. This provision prevents the United States from picking up the growing difference in defense spending.

Third, increasing their budgetary outlays for foreign assistance by 10 percent or to a level equal to that of the United States. This provision gives the NATO allies a nonmilitary mechanism to contribute to the security of Europe.

Fourth, increasing their contributions of military assets to multinational, United Nations, or regional peace operations. This provision will prevent the United States from having to bear an unfair amount of the responsibility in future peacekeeping missions.

Mr. President, I reiterate, our NATO Allies can choose any combination of the above options to meet the requirements of this amendment. They need not do all four.

Should our NATO Allies miss the targets specified above, the President is authorized by this amendment to do one or more of the following:

First, reduce the levels of troops stationed in NATO countries.

Second, impose taxes or fees similar to those that other nations impose on the U.S. forces stationed in the foreign nation.

Third, reduce through rescission, impoundments or line-item veto, the amount the United States contributes to the NATO budget or other bilateral aid accounts.

Fourth, take any other action that is currently authorized by law to make our NATO allies pick up a fair share of the defense burden.

Mr. President, this amendment also requires the President to report to Congress by March 1, 1997, the progress that has been made in achieving the goals enumerated here. This deadline is set so that we may review the progress in time for next years' Defense authorization bill.

This is indeed a very modest amendment. I think we should go much further to reduce the American taxpayers' subsidy for Europe and Japan's defense. As we work to balance our budget and reduce the debt, I do not think we can justify any subsidy. But this is a reasonable first step to that end.

Mr. President, this amendment has been endorsed by Taxpayers for Common Sense and Citizens Against Government Waste. Let me read a couple of paragraphs from their letters.

Taxpayers for Common Sense:

As the United States attempts to rein in its defense budget, it is no longer acceptable for the U.S. taxpayer to pay the lion's share for keeping American troops in Europe. While the Japanese Government pays over 75 percent of all non-personnel costs for American military bases in Japan, our wealthy European allies typically make a collective contribution of less than 25 percent. We support your amendment's call for a 75 percent contribution standard.

Citizens Against Government Waste:

This amendment, which would require host countries to pay 75 percent of nonpersonnel costs, is essential to maintaining a strong and cost-effective military partnership with our allies around the world. If enacted, this proposal would save taxpayers $11.3 billion by 2002.

As the United States continues to define its role in the post-Cold War era, we must realize that we can no longer afford to bear the brunt of maintaining a large presence overseas. However, we do recognize that American strength is necessary to maintain peace and cooperation worldwide. Your amendment successfully addresses both issues.

The 104th Congress' clear mission is to eliminate unnecessary spending, while ensuring that vital obligations, such as protecting our national security, are fulfilled. Your amendment is a vital part of that mission. Not only does it provide for continued international cooperation, but it also saves the taxpayers billions of dollars.

Your amendment makes a fundamental contribution to the debate on the Defense Authorization and its passage is an important step toward achieving a balanced budget. We strongly urge its adoption by the Senate.

Our amendment is also supported by the State Department and the Defense Department. Let me read from their respective statements:

State Department:

We support this amendment because it supports U.S. policy objectives in achieving equitable responsibility sharing of global security interests with our allies. This amendment does not tie the hands of the Administration in the execution of U.S. policy. This amendment does allow the President the flexibility in pursuing different avenues in attaining the same objective without undermining the credibility of the United States commitments to our allies. It recognizes that one formula does not fit every allied country or every region and permit[s] our allies to choose to contribute on an equitable basis tailored to their own political, economic, cultural, and historical perspectives.

Department of Defense:

After detailed review, analysis and consideration of the provisions in the amendment, the Department believes it provides a solid basis upon which to proceed in future discussions and negotiations with our allies around the world to attain greater Responsibility Sharing in defense and security issues of common concern.

This amendment has the overwhelming support of the House, and the support of the administration. If you agree that our allies are now sufficiently strong economically to pay a fair share for their security, then I urge that you also support this amendment. I ask unanimous consent that the letters of support be printed in the RECORD.

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

POSITION PAPER ON PROPOSED BURDENSHARING AMENDMENT TO H.R. 3230

DESCRIPTION OF THE BILL

The amendment to the DoD Authorization Bill calls on our allies to equitably share in the roles, risks, responsibilities as well as costs in global security. The amendment recognizes that the United States continues to pay an unfair share of the ''common defense burden'' and calls for our allies to take one or more of four actions to increase their contributions to share equitably in global responsibility sharing.

These four actions include: increased cost-sharing with established goals of 37.5%, 50%, 62.5%, and 75% by September 30 of each successive year starting in 1997; or increasing national defense budgets by 10% or comparable to the U.S. by September 30, 1997; or increase its annual budget for foreign assistance by 10% or at least to a level commensurate to that of the U.S. by September 30, 1997; or increase the amount of military assets that it contributes, or would be prepared to contribute, to multinational military activities worldwide, including United Nations or regional peace operations.

The amendment also provides authority for the President to take certain actions with our allies should they not meet any of the four obligations above. Although threatening and punitive in nature, these actions are non-binding.

The amendment does direct the President to submit an annual report to Congress not later than March 1, 1997 in classified and unclassified from reviewing the effects of our allies compliance to our responsibility sharing initiatives.

DEPARTMENT POSITION

We support this amendment because it supports U.S. policy objectives in achieving equitable responsibility sharing of global security interests with our allies. This amendment does not tie the hands of the Administration in the execution of U.S. policy. This amendment does allow the President the flexibility in pursuing different avenues in attaining the same objective without undermining the credibility of the United States commitments to our allies. It recognizes that one formula does not fit every allied country or every region and permits our allies to choose to contribute on an equitable basis tailored to their own political, economic, cultural, and historical perspectives.

TALKING POINTS AND BACKGROUND TO SUPPORT THE DEPARTMENT'S POSITION

We agree with the findings of this amendment that the United States continues to pay a higher cost for global defense compared to that of our allies. We also acknowledge that many of our allies are sharing equitably in the global responsibilities of defense while others are beginning to assume increased roles, risks, and responsibilities.

We support this amendment because it supports U.S. policy objectives in achieving equitable responsibility sharing of mutual global security interests. This amendment does not tie the hands of the President, allowing him the flexibility in pursuance of those goals while maintaining the credibility of the United States commitments to our allies.

We believe that by working together with Congress on this issue, U.S. interests are preserved and that the basis for our policy or responsibility sharing serves the best security interests of our country and that of our allies in promoting peace, stability, democracy, and free-market economies.

We note with concern, however, that rigid percentage cost-sharing goals by specified dates are incompatible with recently concluded and highly favorable cost-sharing agreements. We ask that only one small change to the amendment be incorporated.

POTENTIAL AMENDMENT

(Prepared by Mike Walsh)

SERVICE AFFECTED

US military forces and activities around the world.

AMENDMENT NUMBER

Amendment 102 to H.R. 3230

STATEMENT OF AMENDMENT

Amendment consists of four parts: Findings, which detail discrepancies Congress perceives between US and allied defense spending and resource allocation, generally concluding that the US continues to bear greater defense burden than allies, and that they should do more to defend themselves; Efforts to Increase Allied Burdensharing, which provides President latitude to seek increased allied contributions in four areas (i.e., cost sharing, defense spending, foreign assistance, military assets to multinational military activities); Authorities to Encourage Allies, which provides President with authority to take specific actions to obtain allied compliance (i.e., wide range of options, including withdrawals, impositions, funding or program rescissions, suspensions, terminations, reductions or similar actions); and Revised Reporting Requirements, stipulating reporting on relevant measures and actions by allies to determine compliance.

DOD POSITION

The Department generally supports the amendment, but has some reservations about specific provisions, discussed below [After detailed review, analysis and consideration of the provisions in the amendment, the Department believes it provides a solid basis upon which to proceed in future discussions and negotiations with our allies around the world to attain greater Responsibility Sharing in defense and security issues of common concern. The Department has long sought such an orientation, as it offers us the most latitude in seeking greater contributions. Additionally, provisions in this amendment establish the basis for a renewed Executive-Legislative consensus on determining progress in these matters, another long-sought goal.] The Department is concerned however, with a couple of provisions in the amendment. In paragraph (b) Efforts, sub-paragraph (1), Congress proposes adopting a specific schedule of financial contributions by allies between 1997–2000. We have not found this to be a viable approach to attain the goals the Department and Congress want to reach. We recommend deleting the schedule and instead substituting language (consistent with the other parts of this section) that encourages ''greater allied equity in sharing roles, risks, responsibilities, and costs for global security''. This will afford President more flexibility and options for attaining increased contributions from various sources. We also recommend, in paragraph (d) Reports, that these two new reporting requirements be combined into a single report, due 15 April each year, and that these reporting requirements supersede current burdensharing reporting requirements (see PL 98–525, FY85 DOD Authorization Act, Title X, Section 1002, et seq.), which are both obsolete and inconsistent with the intention of this amendment. The Department urges Congress to consider favorably these minor adjustments.

SAVE U.S. TAXPAYER UP TO $11.3 BILLION—SUPPORT ''BURDENSHARING'' AMENDMENT

TAXPAYERS FOR COMMON SENSE,
Washington, DC, June 25, 1996.

DEAR SENATORS HARKIN AND KERRY: Taxpayers for Common Sense is please to support your ''burdensharing'' amendment to the FY97 Defense Authorization Bill. This amendment takes an important step towards reducing the $16 billion direct cash subsidy paid each year to our allies for their national defense. As you know, the House passed this amendment during consideration of the Defense Authorization.

As the United States attempts to rein in its defense budget, it is no longer acceptable for the U.S. taxpayer to pay the lion's share for keeping American troops in Europe. While the Japanese government pays over 75% of all non-personnel costs for American military bases in Japan, our wealthy European allies typically make a collective contribution of less than 25%. We support your amendment's call for a 75% contribution standard.

Despite the end of the Cold War and a steadily decreasing defense budget, the U.S. still spends more on defense than all of its allies. For example, while Japan spends 1.1% of is GDP on defense and European nations average 2.5%, the U.S. spends 4.7% of its GDP on defense. The American taxpayer cannot afford to continue subsidizing our allies defense budgets. Not only are taxpayers asked to shoulder higher defense spending and increased deficits, but as consumers and producers they face a competitive disadvantage from countries whose economies do not bear the full cost of defending their own territories.

This year's amendment gives the President and the Secretary of Defense more than a year to negotiate increased contributions from our allies who benefit from the 200,000 U.S. troops stationed abroad. If those contributions do not increase, the amendment provides options for pressuring our allies to increase their contributions through measures such as a reduction of troops and/or a recession of bilateral aid and NATO appropriations.

The Congressional Budget Office projects potential six year outlay savings, from the amendment, to be around $11.3 billion. These savings are significant and would provide a welcome relief to overburdened American taxpayers. We urge all members of the Senate to support your amendment.

Sincerely,

JILL LANCELOT,
Legislative Director.

COUNCIL FOR CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, June 25, 1996.

Hon. TOM HARKIN,
Hon. JOHN KERRY,
U.S. Senate,
Washington, DC.

DEAR SENATORS HARKIN AND KERRY: On behalf of the 600,000 members of the Council for Citizens Against Government Waste, I am writing to endorse the Harkin/Kerry amendment to the FY 1997 National Defense Authorization Act, S. 1745. This amendment, which would require host countries to pay 75 percent of nonpersonnel costs, is essential to maintaining a strong and cost-effective military partnership with out allies around the world. If enacted, this proposal would save taxpayers $11.3 billion by 2002.

This amendment won overwhelming bipartisan support in the House by a vote of 353–62. It deserves the same in the Senate this year.

As the United States continues to define its role in the post-cold War era, we must realize that we can no longer afford to bear the brunt of maintaining a large presence overseas. However, we do recognize that American strength is necessary to maintain peace and cooperation worldwide. Your amendment successfully addresses both issues.

The 104th Congress' clear mission is to eliminate unnecessary spending, while ensuring that vital obligations, such as protecting our national security, are fulfilled. Your amendment is a vital part of that mission. Not only does it provide for continued international cooperation, but is also saves the taxpayers billions of dollars.

Your amendment makes a fundamental contribution to the debate on the Defense Authorization and its passage is an important step toward achieving a balanced budget. We strongly urge its adoption by the Senate.

Sincerely,

TOM SCHATZ,
President.

Mr. HARKIN. 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. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by the Senator from Iowa and Massachusetts. I appreciate their efforts to craft an amendment that would provide a number of actions that our allies could take to increase their contributions to defense burdensharing.

I agree that the United States pays an unfair share of the common defense

burden and our allies should do more. This amendment would provide the United States with a basis by which to achieve agreements with our allies to increase their share of costs for defense.

Let me emphasize that U.S. forces are deployed overseas to advance U.S. security interests. Although we seek common efforts with our allies to secure peace and promote U.S. interests abroad, we do not always necessarily agree on how those interests are to be advanced.

As a result, I am not comfortable with the notion that one action an ally could take to increase its cost share would be to increase its peacekeeping or humanitarian activities—that would be considered of equal value to an ally increasing its participation in coalition operations or increasing its defense budget.

Would Congress be satisfied if an ally agreed to increase its contributions to foreign assistance, and at the same time, reduce its defense expenditures? This would be counter to our efforts to get our allies to contribute more for global and regional security. Our objective should be to get our allies to agree to increase their efforts in all areas.

With those remarks, I recommend that my colleagues adopt the amendment.

Mr. LAUTENBERG. Mr. President, I am pleased to join my colleague Senator HARKIN in offering an amendment which seeks to relieve the American taxpayer of some of the enormous burden of defending our allies.

This amendment is straightforward. It requires the President to seek increased contributions from countries which have cooperative military relations with the United States. It requires the President to negotiate agreements under which our allies will be responsible for bearing a greater share of the common defense burden.

The end of the cold war has signaled the need for us to reevaluate our spending priorities. Despite the end of the cold war, the United States continues to pay an unfair share of the costs of defending our allies. American taxpayers should no longer be responsible for the lion's share of the common defense burden.

According to the U.S. Arms Control and Disarmament Agency's data for 1993, we spent 20.1 percent of our budget on military expenditures, while European NATO nations spent only 6.2 percent of their combined budgets. That's $1,153 per capita spent by the United States on military expenditures compared to $419 per capita spent by our European NATO allies.

It is simply time for the United States to negotiate a better deal, and this amendment represents a positive step in that direction.

The amendment allows the President to negotiate an increase in our allies' contributions in four areas. First, the President may require an ally to gradually increase its contributions to 75 percent of the nonpersonnel costs incurred by our forces stationed on its soil. Second, the President may require a host country to increase its defense spending as a percentage of its GDP by 10 percent or at least to a level equal to that of the United States. Third, the President may negotiate for a foreign country to increase its budgetary outlays for foreign assistance by 10 percent or to a level commensurate with the United States. Finally, the President may choose to require an ally to increase its contributions of military assets to multinational, United Nations, or regional peace operations.

Although far from perfect, our agreement with Japan is a good example of what the President would be required to negotiate under this amendment. Currently, Japan pays for 79 percent, of nonpersonnel costs incurred by stationing troops on its soil. The administration recently negotiated an agreement under which Japan will increase its contributions by approximately $30 million a year over the next 5 years. This is an pretty good deal compared to the meager 24 percent that our European NATO allies contribute to the nonpersonnel costs the United States incurs in Europe.

Budget estimates for fiscal year 1996–97 reveal that the United States will incur $8 billion in nonpersonnel costs in Europe and that our NATO allies will only contribute $2 billion of that amount. I think this is an outrage.

This amendment would remedy this situation by requiring the President to negotiate a better deal.

Mr. President, critics of this amendment may argue that it will compromise U.S. troop presence and global national security interests. This just isn't the case. If this amendment is implemented, and I hope it will be, the United States will continue to pay enormous amounts to defend collective security interests. We will still spend billions defending our allies.

This amendment provides the flexibility necessary to preserve our commitments to our allies. It allows the President to accommodate each country's unique economic, political, and military situation while creating a more equitable balance of the common defense burden. Each of our allies has different capabilities and limitations to sharing the costs of the common defense. This amendment recognizes these differences and gives the President flexibility needed to secure greater participation by our allies.

Mr. President, American taxpayers deserve a better deal. If implemented, this amendment would be a solid starting point for requiring our allies to chip in more for the common defense. It would send a clear message to our citizens that we are committed to relieving them of some of the enormous burden of defending our allies. This initiative is long overdue, and I urge my colleagues to support it.

Mr. HARKIN. Mr. President, I ask that the yeas and nays be vitiated.

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

Mr. THURMOND. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is their objection to the amendment?

Without objection, the amendment is agreed to.

The amendment (No. 4177), as modified, was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 4367

Mr. BROWN. Mr. President, one of the items that I want to draw the Senate's attention to with regard to the Nunn amendment is really the astounding story of the United State's history with regard to central Europe since the Iron Curtain fell down.

I think a decade ago, or two decades ago Americans, would be amazed to think that the Iron Curtain could fall and that the world could change as it has.

I do not know whether Members remember watching the television coverage of President Reagan in Berlin talking about how in the future Russian leaders would tear down that wall. But I confess my thoughts were that the wonderful Irishman was engaging in wishful rhetoric, perhaps more than a serious prediction. Lo and behold, the President turned out to be more than correct, and his words were prophetic.

I think more shocking than his statements was the fact that the wall came down and that the Soviet Union dissolved. However, even more shocking is the way this country has treated the central European governments.

I simply do not know of a place in the world where Americans are more popular than central Europe; more popular than they are in America at times even.

But, Mr. President, you cannot be in central Europe and not experience the warmth of people who love, admire, and respect freedom and independence, who are grateful to the United States for championing freedom and independence, who want to be like Americans in many, many ways.

I think to most Americans would be shocked if they realized how we have treated those people who looked at us so eagerly and with so much affection, and so much thanks and so much hope of making their countries like America; so much hope of bringing freedom to their countries.

What are the facts? The facts are that when the Iron Curtain fell and those countries developed new governments, we did not react to them as we had reacted to Western Europe at the end of World War II.

I will remind Senators what happened. At the end of World War II when

Western Europe had problems, we did a couple of things because of concern about their future and the future of the freedom and democracy there.

First, we opened our markets to them and ensured that they had a way to earn their way out of the incredible destruction and poverty that they were in.

The second thing we brought forth was assistance to them to provide the emergency needs and help give them a boost to get things started again.

Mr. President, I do not think anyone would doubt that those efforts were helpful. We can debate whether or not we did too much, or too little, whether we gave it to the right or wrong country, whether we gave it the right way or the wrong way. Those are legitimate questions and ought to be debated. The key point is we came forward at a time of need and we ensured that their spark of freedom survived and grew, and democracy is greater and stronger in the world because we did it.

I hope that the distinguished Senator who offers this amendment and others who may be tempted to join him will look at the contrast of how the Central Europeans were treated versus the way the Western Europeans were treated, where we came forward and opened our markets to them and gave them a chance to earn their way out of the dire circumstances they were in. The Western European powers said they were going to study for 5 or 10 or 20 years whether or not Central European countries will be let into Common Market.

Western European countries went through hell. When they went through hell, we opened our markets to them. Now Western Europe says they are going to study for a long, long period of time whether they will let Central European countries into the Common Market.

That is not right. It is in our interest, in the interest of freedom-loving people around the world to see Central Europe do well. To think of selfish subsidies and self-interests at a time when we ought to be opening the world of opportunity to them is wrong.

Second, when Western Europe was threatened, we joined our arms with them. We offered them NATO, and we volunteered to stand side by side with them and not only carry our share of the burden, but to do even more. And what did the Western European countries do? When Central Europe asked to join NATO, they decided to study it.

This Congress has acted on this issue. Three years ago, we passed the NATO Participation Act I, and it was meant to address the questions that are brought up in the amendment of Senator NUNN and others. It was done because the administration was dragging its feet and turning its back on the cry of those free people for help and assistance and participation.

These are proud people. They are not coming and asking for a handout. They are coming and asking to be our friends, to be our comrades, to be our allies, and to stand with us—in the words of Americans, to pledge their lives and their sacred honor in a joint enterprise with us.

I suppose you can turn the back of your hand to people like that, but I think they at least deserve an answer. What this country has done and what some Western European countries have done is turn their back on them, not even given them the courtesy of an answer.

It was this Senator's belief, and I know it is not shared by all Senators that the administration was very slow to respond to the situation in Central Europe. As Western Europe and the United States have been slow to embrace the freedom-loving people of Central Europe, the forces of totalitarianism in those countries have had a new boost of strength at the ballot box.

I have listened to Ambassadors and Members of Parliament from countries all across Central Europe. They ask me, where we should be aligned? Who should we be close to? Who do we work with? Where is our future? And they are shocked to find that America and Western Europe are slow to embrace them and slow to want them to be part of us. They want to go West. They want to be part of the free world. They want to stand up with us to protect against totalitarianism.

These people, who love Americans so much, are confused and puzzled at our slowness in allowing them to stand with us in NATO and are almost mystified at the slowness and reluctance of the Europeans to allow them into the Common Market. It is almost as if all these years we thought of them as an enemy, and when they want to join our side, we will not let them.

Some people have said we have to consider the cost. We have to figure out whether it is in our interest. We have to look at this detail and that detail and this detail.

That was 5 years ago. Three years ago, we finally passed a bill that required those things to be addressed, the NATO Participation Act I, because the administration had not done its work and because this Congress had not done its work. Last year, we passed the NATO Participation Act II to urge the project on further.

I want Members to ask themselves this: Toward the end of World War II there was something of a coup or an overthrow of the Government in Italy. Italy, which had been fighting against us and with the Nazis, switched sides, declared war on Germany and joined the Allies' cause.

How much did it cost to have Italy join us? Was it to our advantage to have hundreds of thousands of troops that had been fighting us to change sides and join us? I suppose some people could come and say we ought to have studied that seriously. But I do not think it would take too many people very long to figure out that it is much better to have hundreds of thousands of troops that were opposed to you on your side.

Is it an advantage to have Poland and the Czech Republic and Hungary on our side, pledged to help defend our freedom with the potential of very valuable bases and hundreds of thousands of service men and women willing to help defend our freedom rather than the other side? I do not think, with all due respect, it takes a genius to figure out that is a plus, not a minus.

Reference is made here to a study as to what could be spent in terms of the defense of that area. Mr. President, you can spend any amount you want. The question comes back to two things. Is it better to have them on our side rather than opposed to us? Of course. And maybe most importantly of all, what is the cost if we do not do it? How do they react to the slap in the face that says, ''We do not want to stand with you''?

What is the cost if we again fail to recognize that area as part of the sphere of influence of other powers? I submit to Members that the cost is very heavy, indeed, and far outweighs any other.

Last, let me simply say this. I do not know how any American can review the history of what went on when the Soviet Union and Nazi Germany invaded Poland and free men and women failed to understand that our freedom was in part dependent on their freedom. I do not know how we can ignore that history. I do not know how anyone could ignore what happened when this country guaranteed the freedom of the Polish underground if they would negotiate with the Soviets and then refused to even speak up on their behalf when they were arrested and tried and sentenced to death, even though we had asked them to surrender. I do not know how any American can look at the history of what happened in the cold war and see the flame of freedom snuffed out in Poland during the 1940's by the Soviets and not feel a twinge of horror that another 40 or 50 years of enslavement followed.

I do not know how we as a country can turn our back on freedom in central Europe, and so I look forward to working with the Senator from Georgia. I hope very much this can be resolved, but I do know one thing. I do know that stalling and delay in endless reports and endless studies and a Mississippi literacy test to get into NATO are not the answer.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I rise, I might say with regret, to oppose the amendment introduced by the Senator from Georgia, now temporarily laid aside. I rise with regret because I have such respect for the Senator from Georgia, Mr. NUNN. But on this issue I respectfully disagree. I associate myself with the eloquent remarks of the Senator from Colorado. The questions

raised by the amendment introduced by the Senator from Georgia and others are important questions. They go to the heart of this great opportunity, challenge, and debate that is coming on the question of NATO enlargement.

I certainly agree this body has to consider all these questions. But I feel very strongly that this is not the right time nor is it the right bill on which to carry out this debate. Let me state clearly from the outset where I stand. I believe a strong transatlantic partnership serves America's interests. For reasons of history and economy, war or instability in Europe inevitably harms American interests. In this century alone, the United States has fought two world wars and the cold war, all of which had their origins in Europe.

Today, we are involved in a conflict in the former Yugoslavia, keeping the peace, helping to provide the ground on which a country can regain its feet after the slaughter and aggression it suffered, in Europe. There, as part of an international implementation force, we are again expressing what is a basic fact of American history, which is that what happens in Europe matters to us. That is part of what NATO is all about.

We are now developing a consensus, slowly, methodically—too slowly, frankly, for some, including this Senator—but a consensus moving forward, nonetheless, in the United States and with our allies and like-minded countries of Europe, on the future of the North Atlantic alliance, this extraordinarily successful alliance often referred to as the most successful defensive alliance in the history of the world. In fact, NATO did deter Soviet aggression, the prospect of Soviet aggression westward into Europe throughout the course of the cold war.

I hope, over the coming months, we will be able to work together, Democrats and Republicans, the President and Congress, to advance the adaptation as well as the enlargement of NATO to meet the challenges of the post-cold-war world.

The amendment before us raises questions. But I do think it also expresses the underlying skepticism of its sponsors about either the idea of enlarging NATO or the pace of NATO enlargement. The amendment, however, does not express the views of many of us in this body who have thought through the same issues and come, respectfully, to a different conclusion. That is why I rise in opposition to the amendment.

In my view, we must look to the future and expand the North Atlantic Treaty Organization in two significant ways. I think we need to deepen this great partnership to develop a reliable coalition of like-minded countries to share the burdens of maintaining international security and we need to enlarge NATO by admitting new democracies of Central and Eastern Europe to full membership.

I believe we should enlarge NATO for two basic reasons. The first I will call moral. Senator BROWN referred to this. Throughout the cold war, we promised these nations our support to achieve freedom and democracy. The millions of people who come together to form these nations were forced to live under the yoke of Soviet dictatorship. And we reached out to them and tried to give them encouragement during those years. We referred to them as ''captive nations.'' That is a term that seems so wonderfully dated today. Today they are no longer captive. They are free and independent. They are working their way to strengthen democracy, market economies, freedom, full expression, better lives for their citizens. The question is whether we will remember this promise we made to them, that if only they would persist through the dark years of Soviet domination, Communist domination, we would greet them, we would embrace them, we would stand with them. So I think we owe these people the opportunity to join with us in this alliance of free nations.

The second reason I believe NATO should be expanded is strategic. By enlarging NATO to include the free and democratic states in Central and Eastern Europe, we can help to ensure the stability and security of Europe. NATO is often viewed as a defensive alliance, because of the cold war history, an alliance to defend its members against the threat, that then existed, of Soviet movement across Western Europe. The fact is, NATO from the beginning, and particularly today in the post-cold-war world, has a second and I would say today much more important purpose, which is to serve as a body in which the potential conflicts among its members are moderated and defused. That is the role it has played and that is the role it will continue to play, once these fledgling democracies and market economies of Central and Eastern Europe reach the plateau which will be established, at which they can join NATO. That is the role NATO will play for them as well.

Secretary General Solana, the Secretary General of NATO, was here earlier this week and he made a very important point, which is that one of the standards for membership in NATO will be not only the extent to which human rights are recognized in the potential NATO member, not only the extent its market economy is flourishing, not only its military capacity to participate in the NATO alliance, et cetera, but also the extent to which it has eliminated conflicts with its neighbors. That is a precondition of joining NATO. Conflicts between, for instance, Hungary and Romania over the rights of ethnic minorities—it seems to me one of the preconditions of membership in NATO will be for those countries, if they are to be considered, to resolve those conflicts. And that is a perfect indication of the way in which NATO has had an internal purpose, to preserve stability in Europe. It is important to remember that the members of NATO have, in a very profound sense, given up the use or threat of force in relationship to each other. That is clearly at the heart of our hopes for continued stability in Europe in the post-cold-war world.

While some Russians view NATO enlargement as a threat, NATO is a defensive alliance. NATO, as an organization to maintain the peace among its own members, does not pose any risk to Russian security. We are going to have to work hard to make this point to some of those among our friends in Russia. We have to work hard, but we can do it, to make it clear that NATO already has established and wants to build on a friendly and peaceful relationship with the new post-cold-war Russia.

The NATO enlargement process is moving forward, thanks to leadership from President Clinton, Secretary General Solana, and a host of leaders in both parties in this country. Senator Dole is, obviously, a strong supporter of NATO enlargement, and others in Europe are strong supporters as well. The study agreed to by the NATO defense ministers last December provides, I think, a generally sound basis for the admission of new members. This is not moving precipitously, it is moving very methodically—in fact too slowly for some of us. The individualized dialogues with interested countries, an important stage in the process, are now underway.

Mr. President, I am concerned that the amendment offered by the Senator from Georgia to mandate yet another study would have the effect of delaying the NATO enlargement process already underway.

The requirements of the study in the amendment before us seem to emphasize only the costs and commitments that the United States would undertake and the anticipated impact on Russia. These questions, if I may say so with respect, seem to be the questions of an attorney in a courtroom leading the witness.

In another sense, Senator BROWN has referred to this as a literacy test, as a pre-civil-rights-era literacy test that used to be applied to respective African-American voters in the South with the intention of denying them the opportunity to vote. I am afraid the effect of these questions will lead to a conclusion that there are not going to be any countries joining NATO in the near future, and that is a result that I am opposed to.

It is possible, as has been suggested by the Senator from Colorado and the Senator from Arizona and the Senator from Georgia, that discussions can be carried on that would alter or at least broaden the nature of the questions. Some of these questions ought to ask about the positive effects, of which there are many, in expanding NATO: standing true to American principles of human rights that we expressed so often during the cold war, creating a kind of burdensharing for ourselves that NATO has represented.

NATO for us, more and more, means that we are not going to be called on to be the sole policeman of the world. Remember what happened in the gulf war. We did not have to fight that conflict alone; our allies from NATO were with us. They are with us in Bosnia today. Years into the future, as we worry about continued security and stability in the Middle East and in Asia, I think our allies in NATO will provide an opportunity to share the burdens and cost of world leadership that the United States would otherwise be called upon to expend.

The point is this: The process is underway under which Ministers of the member nations of NATO will meet in December to make some key decisions about how to enlarge the alliance. We cannot forego that opportunity while we await the results of another study.

I will say two things. Perhaps it is worth trying to alter these questions to make them more balanced. My preference, frankly, is that this amendment be defeated, because I think it confuses an ongoing process. In some ways, it begins to tie the hands of the President and the executive branch. These are all questions that, should there be a decision in NATO to enlarge, will come back to this floor for a great debate, because no one can automatically be added to NATO without the Senate of the United States—this body—being asked to ratify an amendment to the North Atlantic Treaty alliance by a two-thirds vote. So I say these questions are preliminary.

The first choice would be we defeat the amendment. Second, perhaps we could work on some questions and withdraw others to make it a more balanced series of questions.

Third, I hope we make it clear, and I hope within the text of the amendment that these questions are not intended to delay in any way the process that is now going on in NATO, meeting in December, a presumed summit to occur sometime in the first 6 months of 1997, to formally continue the process of NATO enlargement.

If we are going to go forward in the spirit of compromise, let us make it clear it is not intended to inhibit the President or his designees in any way in what they will do between now and when the study will come forward.

I see other colleagues on the floor. I have spoken at length. It is an important issue. It is an issue we are going to debate and we ought to debate in the interest of our national security. Respectfully, I do not think this is the right time to have this debate or adopt this resolution, and I will vote against it, certainly, as it is before us at the current time.

I thank the Chair, and I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I join in questioning this amendment. I say to my colleague from Georgia, for whom I have great respect—I notice the Senate staffers were asked by Washingtonian magazine which Senator retiring would be missed the most, and the person who came out first in that contest was SAM NUNN. I agree with that assessment.

I was home grabbing a bite to eat. We just live about 10 minutes from here, and I heard Senator NUNN speak and Senator MCCAIN. I hope the Senator from Colorado will forgive me, but as soon as he got up to speak, I got in my car to come down here and heard the end of Senator LIEBERMAN's comments.

The point that Senator MCCAIN made that this is ill-timed, I think, is appropriate, and I hope my colleague from Georgia will think about deferring this amendment until we get to the foreign ops bill after the election.

This is an emotional issue in Russia. You can argue that it should not be an emotional issue, but the people in Russia were told year after year after year by the propaganda machine that NATO represents a military threat, and even though the Soviet dictatorial apparatus is gone, that fear of NATO is there. It is an emotional issue in Russia.

For those who say, ''Well, emotions shouldn't govern decisions on foreign relations,'' take a look at—and I know many of my colleagues will disagree with me on this—take a look at what the United States is doing vis-a-vis Cuba. Our policy in Cuba is clearly a reaction to national passion rather than national interest. We could not have devised a policy ultimately that is more favorable to Castro than the policy that we designed. So in Russia, you have an emotional reaction to NATO.

The amendment that is before us is tilted. There is just no question about it. I have enough confidence in the Senator from Georgia that if this were to be withdrawn and then some of us get together before we have the foreign ops bill and try to fashion something, I think we can do it.

I will add here, I think there are ways of defusing this a little bit in Eastern Europe. The President of the Parliament of Belarus was here about 10 days ago and visited with me. One of the things he said to me was, ''I hope you don't permit NATO to be expanded. It's a very emotional issue in Belarus.''

I said, ''What if we were to say that nuclear weapons could not be based in any of the additional countries that come into NATO?''

He said, ''That would be a very different thing. That would make it much more acceptable.''

Frankly, because nuclear weapons can reach anyplace in a matter of minutes today, militarily it is not necessary.

I think some compromises can be worked out. Let me just add, for anyone from the Russian Embassy who is interested who may be listening, I think this is in the best long-term interest of Russia. Yes, I am concerned about Poland and the Czech Republic and Hungary and the other Central European governments.

I had the privilege, some of you may recall, of being the chief sponsor of the bill to provide aid for Poland in 1989, right after the change there. It has been dramatic. I have been in touch with the situation in Poland for some time. They have fears. Whether they are legitimate or not, that is a matter of judgment, but they have fears of their neighbor to the east.

Ultimately, the great threat that Russia faces militarily is from China, not from the West. I hope when we have a more stable democracy in Russia—and Russia is moving in that direction, clearly—I hope Russia can become a member of NATO. But I think to adopt this amendment right now is not in our interest.

Frankly, I do not think even having a vote on this amendment right now is in our interest. I think—and I again have a huge respect for my colleague from Georgia, who is one of the giants of this body—but I think it would be much better to consider this after the Russian election, the runoff election, which is not that many days off. But if we have to vote, I will vote for a substitute or vote against this amendment. I yield the floor.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I rise in support of the amendment offered by the Senator from Georgia. I think this amendment is vitally important to prevent us from precipitously going down the path of NATO expansion without considering the consequences.

This amendment forces us to ask the who and the when, to take a hard look at the consequence of NATO's expansion before we leap. I and many in this body are absolutely thrilled by the dramatic geopolitical changes in the last several years. The end of communism as far as an active, vital, dominant force in the landmass of the Soviet Union is a startling development. The breakup of the Soviet Union itself was a startling development.

When the cold war ended, it thrust the United States, Russia, the former republics of the Soviet Union, Eastern Europe, Central Asia, and our NATO allies all into uncharted waters.

As long as the Soviet Union existed, the United States-Soviet rivalry was defined as an era in fundamentally ideological terms. It was the prominent feature of the international system in a bipolar world, and it was the primary justification for NATO, one of the two treaties—the other with Japan—that governed our sovereign commitments to allies around the world, commitments that required us to send American troops to defend the nations with whom we had made the treaty.

Now the Soviet Union no longer exists. We are in a period of transition. As a result, NATO in particular is redefining its role in the world, in a world without the Soviet Union, which was the pretext for its founding. But just as NATO is trying to redefine its role in

the world, so Russia itself is struggling to redefine its future. It is in the midst of that redefinition period now, in the midst of a Presidential election.

In early May, I was in Moscow. I arrived the day that there were 30,000 or 40,000 supporters of Mr. Zyuganov in the streets, with red flags, pictures of Lenin, the whole thing, parading for their candidate. That same day I drove past the park and saw a candidate up on a big platform speaking, with great speakers, and four our five generals with ribbons standing next to him.

I said, ''Who's that?'' They said, ''Zyuganov.'' I said, ''Stop.'' I and a Republican colleague melded into the crowd. I know the Chair might think it is difficult for me to meld into any crowd, but we did so. And I asked our interpreter, ''What is he saying?'' The interpreter said, ''He has just said that the German-Israeli-American conspiracy to destroy Russia will not succeed if I am elected President.'' To which my response was, ''Well, at least we were third.''

Indeed, he did not make a successful showing in the Presidential election. The first round has been held. Mr. Zyuganov and Mr. Yeltsin are in a final runoff that will be decided in the next several days.

Russia is in a period of redefinition. It is beginning to say—will it cast its lot more in the direction of democracy, market reform, moving into integration into the world economic and political system, or will it once again retreat to a more isolationist position in the world?

So the Presidential elections in Russia are very much about all this. As Russia defines itself internally, what kind of system it wants, what kind of democracy it wants, Russia will also continue to redefine itself in relation to both the West and the East. It has grave concerns and worries about China. It is very concerned about Turkish influence in a lot of the Central Asian republics.

It has much less concern about the West. The war of ideology is over. There is no reason for them to fear the West. We know that. They see where their geopolitical worries are, to the south and to the east. They are now in the process of not only redefining themselves internally but also externally. In this process the nature of those relationships are not a foregone conclusion.

The Eastern European countries that are seeking NATO membership are also in a process of transition. They have turned their backs on Soviet Russian influence and are firmly allying themselves with the West. We welcome that. We want them to be integrated into the West. We want them to become a member of the European Community. We want them to be a part of a Western future. They want to integrate as quickly as possible to get the economic benefits as well as the promise of greater security.

So, Mr. President, as we consider NATO's expansion against this backdrop of sweeping change, of redefinition in the West as well as the East, I think we have to be honest about what we hope and what we can realistically expect to accomplish.

First, on the issue of increased security and stability, the primary rationale voiced by the proponents of NATO enlargement is that it will increase security and stability in Europe.

How that can be accomplished, though, in real terms has yet to be explained. Achieving stability is a long-term process that will require strategic dialogue with all parties. It will also require the completion of the fundamental economic and political reform process that the countries of Eastern Europe and Central Asia are still undergoing. This is not going to happen overnight. It is far from certain that NATO's immediate expansion will promote either of those tasks.

In fact, NATO expansion is likely to cut off or possibly even polarize a strategic dialog between the West and Russia about Turkey or about Asia or about where they perceive their threats coming from.

Further, NATO enlargement is not an automatic guarantee of security, particularly, as this amendment suggests, as many important questions related to membership enlargement of NATO have yet to be answered, particularly with regard to the effect that enlargement will have on NATO itself, including its nuclear posture and its security guarantees. Indeed, an expanded NATO is probably no more likely to respond militarily to an invasion of Eastern Europe than an unexpanded NATO.

If we consider these countries sufficiently vital to our interest, the West will act without a treaty; if we do not consider them vital, no treaty is going to force a President to send American troops into the region.

Nor will NATO's expansion guarantee the vital political and economic reform that is a prerequisite to security. You can have a lot of military armor deployed forward, a nuclear deterrent, and if you have an economy crumbling, because the comparative advantages available in Poland, Hungary, and Czechoslovakia cannot bring full fruit because the Western Europeans will block all their products from being imported into the markets of the West, it is a hollow victory.

In fact, one might argue that NATO expansion enlargement may hinder such reform by encouraging the diversion of limited resources in these countries to military modernization rather than to economic development.

Mr. President, it is important we also try to think through before we take this step. The amendment, I think, forces this thinking process. What does it say about Russia? We have to be honest about the role of Russia, both in our motivation toward expanding NATO and in our assessment of the potential stabilizing or destabilizing effect of enlargement.

First, the motivation. Despite protestations to the contrary by some policymakers and NATO itself in its enlargement study, fears of Russian aggressiveness are clearly a significant motivating force behind NATO expansion. That is a legitimate feeling on the part of the peoples of Eastern Europe because they were dominated, occupied, by a Soviet Army for 45 years. Naturally, they have a fear, but to assuage those fears, do we want to jump headlong before we consider some of the larger strategic questions?

I think this fear of Russian aggressiveness is obviously the case for these Eastern European countries seeking enlargement immediately. It could very well be the motivating force for many Western policymakers.

What is the effect? While NATO's own study and others downplay the effect of NATO expansion on Russia, it is clear to even the most casual observer that NATO's enlargement is viewed as a threat by Russia, particularly given that those who would expand NATO are seeking to do so because of their fears of Russian aggressiveness reasserting itself as if it were a genetic quality.

Russia's view of NATO expansion is not surprising when one looks at the post-cold-war world from a Russian vantage point. Russia has been stripped of its empire, gone the way of new republics, new countries, and is but one of 15 countries—the largest, but one of 15—in the former Soviet space. By expanding the West's military bloc—and that is what NATO is, that is why it was formed, that is what its primary funding is, let's be honest—by expanding the West's military bloc along its borders, Russia could not help but feel boxed in by an organization whose primary aim for most of its existence has been to act as a shield against a potentially aggressive Soviet Union.

If expansion is accelerated, a threatened and increasingly nationalistic Russia may further isolate itself from the West, and the prophecy about Russian aggressiveness could easily become a self-fulfilling one. I think that is unlikely because of the economic circumstance in Russia.

However, immediate NATO expansion enlargement gives a pretext for those who would play on those fears and those who would stir that pot. We need to think about this and ask some tough questions.

If expansion is accelerated, a threatened and increasingly nationalistic Russia may further, as I said, isolate itself from the rest of the world. The hopes of Russia's implementation of START I or the ratification of START II would become increasingly remote. Tensions could increase. NATO's immediate enlargement will not solve our security concerns. Indeed, I believe it is very possible that it could heighten them.

Rather than isolating Russia, we should seek to engage Russia and others in a long-term strategic dialog about what they perceive to be their

security concerns. If we engage that dialog without a precipitous action of enlargement in that dialog, it will become clear that their concerns are more oriented toward China and to the Turkish activity in the former republics of central Asia than it is to the West, particularly NATO, particularly Western Europe, and certainly Eastern Europe.

Mr. President, I think we should work to reduce the threat of nuclear weapons by ensuring implementation of START I and START II, but I have some reservations about precipitously expanding NATO at the expense of our own national security. Our consideration of these concerns is not, as proponents of enlargement like to argue, the result of Russia bullying the United States or NATO. It is in our own self-interest to consider the impact that enlargement would have on Russia. It is in our own interest to do this. If the purpose of NATO expansion is to increase security, our security, obviously, its destabilizing impact on Russian-NATO and Russian-United States relations need to be a part of that analysis.

What about the effect on NATO and U.S. participation in NATO? Finally, we have to be honest about the effect of enlargement, as I said, on NATO itself and on the increased responsibilities it will entail for the United States.

Enlargement could have significant repercussions for how NATO operates. I do not think these issues have been actually explored. That is really the purpose of the amendment of the distinguished Senator from Georgia.

Enlargement will also require NATO to devote less energy to important reforms, helping it to adopt to the realities of the post-cold-war world, and the enlargement will impose even greater responsibilities and costs on the United States without any serious assessment of whether such responsibilities and costs are in the United States' interest.

Mr. President, as the foregoing illustrates, NATO expansion is not an easy issue. It is a quick fix, a form of what I call ''cold war lite,'' that is likely to cause a lot more harm than good. It is more a leftover from cold war thinking than it is a rethinking of U.S. security interests worldwide. It is more a predictable human response to the call to assuage the worries and historical concerns of our friends in Eastern Europe than it is a longer term view of how to guarantee their security over time.

Mr. President, I have serious concerns about precipitously rushing into NATO expansion. At a minimum, we should ask some difficult questions and take the time to study the issue seriously. I think that is precisely what the amendment offered by the Senator from Georgia requires.

I support the amendment fully. It is his amendment to decide how to pursue in the remaining hours. If he chooses to have a vote, I will be for it. If he chooses to wait and have a vote a little bit later, I will be for it then.

It is enormously important that we ask the questions before we leap and find we have precipitated a response that will create less security, not more security, for the very countries to whom the enlargement is expected to give greater security.

So, Mr. President, I support the amendment.

I yield the floor.

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.

Mr. NUNN. Mr. President, I know there is a good-faith effort to now see if we can draft some additional language, or perhaps some substitute language for some of this amendment. I am certainly pleased to work with my friend from Arizona and others on that approach.

I am a bit curious, though, how a vote on an amendment that is asking what it is going to cost to expand NATO and how much the American taxpayers are going to pay—that that information is tilted. I do not quite understand that logic. I really do not understand the logic that says that we do not want to know what the strategy is going to be as we expand the defense alliance that involves possible commitment of American forces and the possible—in fact, automatic, if there is an article V protection for full NATO members, an automatic basic nuclear umbrella being extended, meaning that we are willing to, in an extreme situation, use nuclear weapons, if we have to, to defend our allies. That is a serious undertaking.

I am not sure why there is any reluctance to ask the President to tell us what the strategy is. Is that something we do not want to know? If he cannot give us the complete strategy, and if he says there are certain contingencies, fine, that is what he will answer. But why should we be afraid to ask the question? I am not sure why we would not want to ask the question of whether it is going to involve prepositioning American equipment and how much that is going to cost. Why would we not want to know the answer to that?

I am not sure why we would not want to know the answer to whether air forces are going to be involved, or whether there is going to be forward stationing of ground forces. Are we really going to expand the alliance and not ask ourselves those questions? I am puzzled.

I am not sure why we would not want to know the extent to which prospective new NATO members have achieved, or are expected to achieve, interoperability of their military equipment, air defense systems, and command, control, and communications systems and conformity of military doctrine with those of NATO.

That is the purpose of the Partnership for Peace. That is what they have been doing for the last 3 years. Why are we reluctant to ask the question? I am not sure why we would not want to know the extent to which the new NATO members have established democratic institutions, free market economies, civilian control of their armed forces, including parliamentary oversight of military affairs and appointment of civilians to senior defense position, and the rule of law.

Is there reluctance to find out or get the assessment of the President of the United States sometime next year, giving him plenty of time? This is not something we are going to have answers to tomorrow or the next day. It is not going to come until January of next year.

One of our colleagues said that, of course, the answers would vary as to whether Mr. Zyuganov is elected or Mr. Yeltsin is elected. Precisely. I would assume that any President would take that into account before they filed a report next January. If they did not, then I would be amazed. Certainly, the circumstances will make a difference.

I do not know why we would not want to know the extent to which the prospective new NATO members are committed to protecting the rights of all of their citizens, including national minorities.

Is there someone that does not want to ask that question? Is that a painful question to ask? I know the Senator from Connecticut made the statement—and I think he is right—that one advantage of NATO is to keep the countries from having armed conflict with each other. Certainly, that is the case, I think, in the case of two allies, Greece and Turkey. Their membership in NATO has helped prevent that—although the animosities are, unfortunately, still present.

Why would we not want to know something about the treatment of national minorities? It seems to me that was a fundamental question that should have been asked by our allies and the United States of the newly emerging states in the former Yugoslavia before we recognized them. We should have asked the question about their treatment of minorities and their respect for human rights and their rule of law.

Is there really a sentiment in the Senate that we do not want to know the answer to that question, or we do not even want to ask it? Is that tilting? It does not seem to me that it is.

Is there somebody who does not want to ask the question whether the prospective new NATO members are in a position to further the principles of the North Atlantic Treaty and to contribute to the security of the North Atlantic area? Is that a painful question? Is this some kind of inside-the-beltway steamroller that is going so strong with people, having taken positions

about NATO expansion and not asking these questions, that we cannot ask them now? What is going on?

Are the American people not entitled to know what it is going to cost? Are they entitled to know whether we are going to forward deploy our forces? Are they entitled to know whether we are going to preposition our equipment? Or are they at least entitled to have the President tell the Congress what we are going to do in terms of strategy? Some of it may be classified. Is that something that we are going to do, put blinders on and say, let us charge out and see who can take the strongest stance and expand NATO the quickest, without asking questions? Is that what our colleagues are concerned about?

I know that there are people who have taken the position we should expand NATO. I think there is a case that we should. I, myself, believe we should expand NATO. I believe that the logical step, though, as the Senator from New Jersey said so well, is to make sure that countries which are not now under military threat secure their economy and their political system.

I really find it a little puzzling that some of our European colleagues could say it is too difficult to expand the European Community. They need access to trade. What they need is markets. It is too difficult to decide whether we are going to let new countries in that grow vegetables and they might ship them across the border. It is easier for the US. to extend a nuclear guarantee. I mean, we can be the country that decides that question, but we do not want to ask the question.

I mean, is it really harder to open up markets and let countries that are newly emerging and need the markets—is it harder to give them access than it is to extend a nuclear guarantee, saying that if there is a war, we would go even to the extent, in extreme situations, of using nuclear weapons?

Are we basically saying that politicians cannot deal with economic issues; let us all turn it over to the military?

I favor a logical sequence of expansion of NATO. I think it makes all sorts of sense as the European Community expands to take those new members, and, if they meet NATO standards to give them serious consideration for membership, then I think in most cases they would be eligible for membership.

I also think if there is a threat that we ought to be willing to respond to that threat where it makes sense militarily and where we can be effective militarily. If the Russians elect an extremist or nationalist who decides they are going to rebuild the threat against Central Europe, of course, we ought to be alert to that. The difference now though is that—in the cold war we may have had 15 days of warning time or we may have had 3 months warning time of any kind of attack—now all of our intelligence and military people would tell us we have years of warning time; years of warning time before any kind of threat to certainly some of the countries that we are talking about taking in.

Does anyone really not want to ask the question, and ask the President to think before we agree to immediate expansion of NATO, of the effect on Ukraine? If you look at the map, Ukraine geographically may be the most vulnerable and may be the most important country to retain its sovereignty. But if they are not going to be in the first tier, not going to be part of NATO but we expand NATO and nationalism kicks up in Russia in response to it and they start basically putting pressure on Ukraine, are we ready to deal with that, or do we not want to ask that question?

Is that one that is too hard to ask? Should we restrain ourselves and not ask it because it might be a hard question?

What about the Baltics? What about the countries that have been suppressed for years and years by the former Soviet Union that are now not only building their own sovereignty but are doing pretty well in democracy, and in their economy? If they get left out of the NATO expansion in the first round, are they likely to come under real pressure from a nationalistic kind of response in Russia? Is this something we do not want to think about? Do we want to just say let us not think about it?

Mr. President, I am perfectly willing to work out language. I think there are some questions that can be added to this.

Certainly it seems to me that every question in here is relevant, and every question in here I would be appalled if I did not think the President of the United States leading our country as Commander in Chief had thought through these questions before we make the final decisions. I would be appalled if I did not think NATO had thought through them.

I know they have not all been thought through now. I understand that. But by the time NATO makes these decisions, if they do not ask themselves these questions, and if our leadership in the Congress does not ask these questions, and if the President does not ask these questions, then we are not fulfilling our constitutional obligation to the American people.

Mr. President, I am perfectly willing to work with people on this amendment. I find it a little bit puzzling that the argument is being made that this amendment asking the questions might place some adverse effect on the Russian elections when we are asking the questions but a NATO expansion amendment that pushes forward with it that is put on the Foreign Relations appropriations bill today has no bearing.

One amendment—this one—asks the questions. How could that have an adverse effect on the Russian elections when NATO let us expand quickly and let us pick out the members by a legislative fiat amendment, basically which is put on the Foreign Relations Committee bill the same day? I find that also puzzling.

Mr. President, these are all questions that need to be asked. I will not be here when this debate takes place next year, or whenever it takes place, on the NATO expansion. But I will be watching the debate as will other people all over this country, and I will certainly hope that all of these questions would have not only been asked but also to the best extent possible been answered.

You cannot forecast every scenario and every possible type of conflict. But that does not mean you do not have a strategy.

Is the NATO strategy something we cannot talk about? For 45 years we have had a strategy in NATO. The first report out of the U.S. Senate was on NATO's strategy; a critique of it. It was not classified. We had a strategy. We had a strategy of forward defense. America has had a strategy for years not only of conventional deterrence in NATO that was avowed, but we had a declared open strategy of being willing to use nuclear weapons in response to a conventional attack. That was not a secret. Maybe somebody did not know it. But we had that as a strategy. That was part of our strategy. If the NATO alliance were overwhelmed with conventional weapons, we reserved the right by declaration of being the first ones to use tactical nuclear weapons in response to that. That was our strategy; an open declared strategy.

Now are we going to expand NATO and not have a strategy? Is that what we are being told? If so, then I dissent.

NATO has to have a strategy. That is why when the politicians start telling the military, ''OK. Folks, it is too hard to talk about economic expansion. It is too hard to talk about access to markets. Those are tough questions. But you go out and you expand and give these military guarantees, and we are not going to ask any hard questions about how you are going to do it.''

Well, if we ever have to do it, if there is ever a threat and we have to respond, we will demand that our military have thought through that strategy, and any of them who have not in leadership positions would be properly criticized. They would not have fulfilled their duty, and they know that. That is why they are busy scratching their heads with these questions, and basically trying to figure some of them out when we may be reluctant to even ask them to think about it.

Mr. President, I find it puzzling. But I am sure that we can continue to work and perhaps work out some language on this. I can assure my colleagues, if we do not work out language now, we will be revisiting this issue this year because at least I am determined that we have a framework—a kind of framework that the American people have every right to expect of us where the Congress of the United States will be

called on to ratify this treaty, this expansion of the NATO alliance. We will be called on to ratify it, and I think our constituents—the American people—have every right to expect that we will be asking these questions and that President Clinton, or President Dole, or whoever is President, when this decision is made will have asked and have a projection of the answers to these kinds of questions.

Mr. President, I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Indiana.

Mr. COATS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. 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. BROWN. Mr. President, I wanted to just talk for a moment or two about the amendment of the distinguished Senator from Georgia dealing with NATO expansion.

Obviously, the immediate step that both NATO and the United States and Central Europe have talked about is the potential of the Czech Republic, Poland, and Hungary jointly. There are other countries that wish to join as well, and in time they will be evaluated and pass the standards that have already been developed.

While this amendment is put in the framework of asking a whole series of new studies, I compare it to the old-style Mississippi literacy test because it is this Senator's belief that they are designed to have the same effect. That is to take on the pretense of a study or ascertaining a fact, but in reality to simply flatly prohibit anyone from ever entering.

I understand that is not the intent of the Senator from Georgia, and I do not mean to attribute that intent to him, but that is my belief of its impact.

I wanted to deal specifically with one of the issues raised, and that is the cost. The amendment discusses a study done by the Congressional Budget Office as to what it might cost to defend Central Europe. Mr. President, the question is not the cost of defending Central Europe in the event of a military conflict. With all due respect, it is the difference in cost of defending Central Europe if they are part of NATO and if they are not part of NATO.

You do not have to have a CPA to figure out this question. If 400,000 Polish troops are on your side instead of opposed to you, does it cost more to defend Central Europe or does it cost less? That is why I feel this the amendment is so ludicrous. Of course it is better to have 400,000 Polish troops on your side than opposed to you. Of course it is in your interest to have the Czech Republic on your side rather than opposed to you. Of course it is in your interest to have Hungary on your side rather than opposed to you. Does a war cost less if they are on your side than if they are opposed to you? Of course it does. This is phrased in the terms of reference of the Congressional Budget Office—how much more does it cost to do it?

That is stupidity. I am not referring to individuals. I am referring to concept. The question is not what it costs to defend them. The question is, what does it cost if we do not defend Central Europe? To suggest that if you have more allies and more troops and more strength it is more costly to defend that than with less is not a serious question. To ask if it increases your cost to have a bigger enemy or a smaller enemy, I do not think is a serious question.

Now, what is the question? The question is basically this. Do we want to recognize a sphere of influence by Russia over the future fate and defense policies of Central Europe? That is the real question that we have to address. My sense is that if we are clear that they must be masters of their own destiny, or at least have that option, we put the question to rest. It would be solved. It would be decided. But if we leave it open, as has happened the last 4 years, then we invite people in countries that might want to control Central Europe to imagine that we would sit idly by and allow them to dictate their future.

Mr. President, if there is a lesson that comes out of World War II, it is that uncertainty as to your intentions can be devastating at times. But I hope we will debate that issue, because a sphere of influence is a reasonable debate. It is an important question. It may be there are those who think giving others a control, a sphere of influence over Central Europe is a wise policy that will placate them. That may well be. There is a case to be made there, a debate to be had. But to suggest it is less costly to have troops and allies based on the other side than our side I do not believe is a serious question.

I must say, Mr. President, there is a suggestion here that somehow we are going to be the ones to pay for the troops in Poland and pay for the troops in Hungary and pay for the troops in the Czech Republic. No one from those countries has suggested that. They have not asked for it. We have not volunteered it. I do not think it makes any sense, nor should it. But I do think it makes sense for them to be on our side and not opposed to us.

We have talked about sharing surplus material with them as we do with other countries around the world. But let me suggest that there is a real plus in the development of joint material with those countries. It helps develop a common bond, a bigger production base and more unity, and I think it is worth pursuing. So I hope we will discuss the issue and debate it and will move quickly on it. But I think it is a mistake for us to hold out a hand of friendship and then not answer their question when they ask to stand side by side with us. If we really want someone else to have a sphere of influence over them, we ought to be straightforward enough to say it. I think it would be a bad policy, but we ought to be straightforward about it. But year after year after year to say:

Oh yes, we want you as part of NATO but just not this year.

Well, when?

Well, maybe next year. Maybe the year after. We are certainly talking about the year after that.

These are smart people. They are not foolish. If we treat them that way they will understand what is happening to them and they will react. Is it in our interests to give the back of our hand to people who want to be our friends and allies, our comrades? I do not think so. But we ought, at least, to be straightforward.

If the question is recognized sphere of influence of other countries over them, we ought to at least face up to that. But if we think they should have an opportunity to be independent and free, and this country stood for that for a long, long time, and we think the addition of their forces standing side-by-side with ours would make that more likely to be realized, their freedom and long-term independence, then we ought to get on with it. We should not play games. A 2- or 3-year study on top of 4 or 5 years of study is not a way to decrease our problems.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I am not sure what our state of affairs is, but I wonder if I may speak as in morning business for 3 or 4 minutes.

Mr. NUNN. Yes, we are waiting on amendments. There is an amendment pending, a NATO amendment, my amendment, but it is temporarily laid aside so if anyone wants to bring a defense-related amendment in we would welcome it.

In the meantime, we will all be fascinated with the Senator's remarks.

Mr. MURKOWSKI. I appreciate my friend from Georgia. I am sure he will be fascinated.

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

ENERGY POLICY CONSERVATION ACT EXTENSION

Mr. MURKOWSKI. Mr. President, I would like to bring the attention of this body to a piece of legislation that is pending, S. 1888, the Energy Policy Conservation Act extension. I think my friend from Georgia will find it does have an application to the defense of our Nation, because this bill is very simple, and its immediate passage is extremely important to our Nation's

energy security as well as our Nation's national security.

The administration strongly supports the passage of this bill and the language is not controversial. However, as chairman of the Energy Committee, we have been trying to clear this for 2 weeks now. We continue to have, unfortunately, objections from our friends on the other side of the aisle, the Democrats. But I know it is not the content of S. 1888 that they are objecting to. So let me make the situation very clear. I appeal to my friend from Georgia, the manager of the bill, that the authorization for two vital energy security measures, the Strategic Petroleum Reserve and the U.S. participation in the International Energy Agency are due to expire at the end of this month.

S. 1888 simply extends those two vital authorities through September, until a more comprehensive reauthorization bill can be enacted. So if we do not pass S. 1888 by the time we recess, the President will not have the authority to withdraw oil from the Strategic Petroleum Reserve if an energy emergency occurs in this country. Further, our Government will not have the authority to participate in International Energy Agency emergency actions in an international energy emergency.

It has been evident in the last few days, the significance of our dependence on Mideast oil, and the fact we are willing to have United States troops in Saudi Arabia to ensure that peace is maintained and that energy from that part of the world flows. Currently we are about 51.4 percent dependent on imported oil. It is estimated by the Department of Energy that by the year 2000, roughly 4 years from now, that will increase up to about 66 percent.

Here we are with our authority to operate the Strategic Petroleum Reserve in jeopardy. There will be no antitrust exemption available to our private oil companies to allow them to cooperate with the International Energy Agency and our Government to respond to the crisis. Although it appears to be an easy one for some to simply disregard these dangers, I again indicate that recent events have underscored exactly how precarious the Nation's energy security is. As I have indicated, the bombing in Saudi Arabia is further evidence of the instability of the region that we rely on to supply the oil that keeps the Nation moving.

As proven during the Persian Gulf war, the stabilizing effect of a Strategic Petroleum Reserve drawdown far outstrips the volume of oil sold. The simple fact that the Strategic Petroleum Reserve is available can have a calming influence on oil markets.

There are those, myself included, who were dismayed to some extent by a recent trend toward use the SPR as a piggy bank to pay for other programs. We will continue to debate the long-term prospects for the SPR in the future. In any case, we have already invested a large amount of taxpayer money in the stockpiles. The oil is there, ready to dampen the effects of an energy emergency on our economy. However, if we do not ensure we have the authority to use the oil when it is needed, we will have thrown tax dollars away. So, as I stand here before you, I implore my colleagues to release the hold and allow this simple extension to take place in the interests of our national security and our national energy security. If we do not ensure that there is authority to use the oil when it is needed, it simply will be to no avail.

So, as I stated earlier, the content of this legislation is noncontroversial. I understand the Department of Energy has been strongly urging Members on the other side to remove their objection. It is clear the objection from a few Democratic Members has nothing to do with the substance of this bill. It is intended only to gain leverage on unrelated issues.

Some of my fellow Republican Senators have problems with other parts of EPCA that they would like to raise on the larger reauthorization legislation. However, they have acted in concert to agree to allow this bill to proceed without amendment simply because of the strategic significance of it.

So I think it is reckless, I think it is irresponsible to knowingly place our Nation's energy security at risk, to try to gain some small political advantage. American service men and women, as we have seen time and time again, have given their lives to ensure our Nation's energy security. We have seen that with the tragic bombing in Saudi Arabia the other day. Make no mistake about it, part of our presence there is to ensure the supply of oil for the Western World would continue uninterrupted. We fought a war over that. We tried to put Saddam Hussein in a cage. So I think it is shameful that today we would hold this legislation hostage to a political will.

I encourage my colleagues to allow the immediate passage of S. 1888. I think it certainly is germane to the defense matters we are discussing here on the floor tonight, because you cannot move military or defense capability if you do not have the oil availability. So I encourage my colleagues to address their attention to the fact that, unless we get this authority, SPR will simply be unable to be utilized if there is an emergency.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

AMENDMENT NO. 4367

The Senate continued with the consideration of the bill.

Mr. COHEN. Mr. President, there has been a good deal of discussion this evening about the amendment offered by my colleague from Georgia, an amendment which I cosponsored. I know it has generated considerable controversy because some have questioned the consequences of and even the motivation for such an amendment at this time. But I would just like to indicate that I think it is important that we try, as best we can, to return to a bipartisan approach to foreign policy.

I would include within foreign policy our defense policy as well. This is something that, when I came to the Senate in 1979, we assumed would be the policy of this body—at least to try to forge a bipartisan coalition that would support foreign policy initiatives and certainly our defense policy, knowing unless we are united, we can only cause confusion, certainly within the country, and confusion amongst our allies as well.

The issue of NATO expansion is not new. We have been talking about it for some time. Yet suddenly, by virtue of the submission of this amendment, some of my colleagues assumed there may be some political agenda, some hidden agenda on the part of my colleague from Georgia and the cosponsors that would have implications for our Presidential candidate.

Let me indicate from the very beginning, I favor the expansion of NATO. I also support the candidacy of Bob Dole. I hope he becomes our next President. I know that he feels very strongly that NATO should be expanded. I intend to lend whatever support I can to his candidacy, as I have indicated.

But I believe that before we make a decision on enlargement, which carry some fairly serious consequences, we ought to know a number of things. We ought to know what the implications are in terms of costs. We ought to know, at least get an assessment from our intelligence community, what the likely consequences would be for our allies and what the reaction will be in Russia, to the extent we can calculate it. Notwithstanding what the Russian reaction might be, we are likely to take the steps necessary to enlarge. But we should at least be aware of what our intelligence community can tell us about it so that we can make informed judgments.

It seems to me that is not asking too much. And perhaps it comes at a political time, but these are issues that we should raise in advance. We should not find ourselves coming in at the tail end of a decision where a President has made recommendations either to enlarge or not to enlarge, where NATO has gone on record in favor, and suddenly the President turns to the U.S. Senate and says, ''Well, the decision has been made. NATO is in favor of the expansion. Now the Senate must go along.'' Ipso facto, we must approve because NATO has approved.

That, I think, would put this Senate in an untenable position—to have a President of the United States make a decision and then simply submit it to us for ratification without us having any prior input into the decision itself or any kind of prior analysis of the evidence that we ought to be considering.

There are other questions that can be added to the list of questions contained in this amendment. Indeed, one concerns the benefits of enlargement. That, I think, is a very appropriate question to add. A whole list of questions can be added. It is not locked in concrete. These were not written on Mount Sinai. They can be added to; they can be subtracted from. But it seems to me we ought to start the discussion now.

One of my biggest criticisms is that NATO expansion has been bandied about, but the American people have not been asked about it. I hope we can persuade them that it is in our national security interest to expand the coverage and the protection and the benefits of NATO membership to countries that have long been under the heel and boot of tyranny, who are yearning to become part of this wonderful experiment in democracy and capitalism. They are eager to come in under our umbrella, as such.

I hope that we can start the dialog now, to start going to the American people and pointing out exactly what is involved, understanding what the risks are, what the calculated risks are, if any. I, frankly, think we have succumbed too often to Soviet, and now Russian, indication. Mr. Lebed once indicated if we were to expand NATO, that is world war III. Since that time, he has modified that suggestion. Now that he is a candidate for vice president, as such, he is taking a more moderate approach.

Nonetheless, we cannot ignore the statements made. We may take an action in the face of such a threat, but at least it should be an informed decision on our part. And I find nothing wrong with raising these issues now, even though there is a Presidential campaign underway, because President—well, I speak too soon—Senator Dole, candidate for President Dole has been on record for a long time about his favoring expansion. We will support him as best we can in that regard.

But I think it is critically important that we start raising these issues now, that we not blind side the American people and say, ''Well, the President of the United States and the Congress have now gone on record that we are all favoring expansion.'' We have never asked them. We do not know if there are tax implications for them or whether we are simply going to borrow the money, or if any money will be necessary at all.

We have not asked them whether or not they would be willing to do it for not only Danzig, but Poland or the Czech Republic or any of the other nations that may come in, Hungary and others, Slovenia. We have not asked the American people as to whether or not they would support our sending our troops to those regions should there be an attack upon any one of them. It is important we ask them now to get some sense of what the public opinion is going to be, and if it is negative, to try to overcome that and shape it to follow our leadership on that particular issue.

I might say in connection with another subject matter, that of Bosnia, I do not think we have asked enough questions on the subject of Bosnia. Things are going well; apparently they are going quite well now. There is less bloodshed, virtually no bloodshed taking place. The sides appear to have stepped back from this warfare that has been waged for so many years, and there seems to be a positive role that we have played during this interim period, a period of trying to maintain a truce.

President Clinton and Secretary Perry each have pledged publicly time and time again this is a 1-year commitment. I think most of us would raise questions initially as to whether you should ever make a time commitment on the deployment of American troops anywhere, but a political decision has been made that 1 year and 1 year only is the amount of time we would deploy our men and women to that region on the ground.

President Clinton has stated it publicly many times, Secretary Perry has testified before the Armed Services Committee on a number of occasions that they will start taking troops out, as a matter of fact, beginning in either late September or early October.

So there will be no October surprise. It will not be a politically astute movement on the part of the President, ''Aha, we're going to have troops coming home; unbeknownst to the American people, they will come on the eve of the election.'' We know in advance they will be coming home before the election.

Yes, I am sure there will be some political benefit from that which President Clinton will seek to reap. We know that is going to take place. We also know, according to Secretary Perry, that all of our troops will be out by the end of December.

IFOR will no longer exist, according to the stated plan. But there is something else afoot, I must say, Mr. President. We have not talked about it, but I see it starting to take place. It is somewhat undefined right now. It is like a cloud very distant on the horizon that is coming our way, and we ought to try to identify it, because, Mr. President, there is afoot an attempt and a movement, I should say, in which the IFOR—the so-called IFOR that is there today, the NATO force—will be replaced with a new force.

That new force, presumably, will be made up of NATO members, including the United States. The size of that force has yet to be determined, but it will still have to be a sizable force if we are going to deter and discourage any attempt to attack our men and women who are serving there.

So now we have a situation in which we have pledged to the American people it is 1 year, and that 1 year came over the strong objection, I might say, of many on this side of the aisle. But, nonetheless, a deployment for 1 year, and at the end of 1 year we are coming home. That is the pledge.

What is taking place now, however, is a suggestion that we need a new force, and that new force necessarily will have to include U.S. ground forces. We ought to start discussing that now and not wait until after the fact. Not wait until after November. Not wait until the Congress has dispersed either at the end of September or early October, when we are spread to our constituencies, and suddenly a decision is made that we are now formulating a new policy.

The elections will come, and whether it is President Clinton who is reelected or President Dole who is elected, a decision could be made in that interim between November and January to create a new NATO force committing U.S. participation. And then we would be told: ''Well, it's a done deal. Our NATO allies are in favor of it, and now we must go along or we undermine the credibility of the NATO force itself.'' Our NATO allies would no longer trust the United States if we should back away from such a commitment.

That is a subject matter that is worth discussing. It may be necessary to do that. I have yet to identify a vital national security interest in Bosnia, which is an artificial state, but nonetheless that is this Senator's judgment. But we ought to be talking about that. We should not wait until after the Bosnia elections in September. We should not wait until after the Congress is dispersed and we adjourn sine die. We should not wait until after the November elections and then suddenly find, my God, the President of the United States has made a commitment to deploy our troops in a new type of IFOR in the region, maybe smaller, but nonetheless still significant in size.

So, Mr. President, we ought to get back to the business of having an active, intelligent discussion of these issues. We ought to try to do so on a bipartisan basis if at all possible. It seems to me we ought not to look for hidden agendas. Does the Senator from Georgia have an agenda to try to slow the process down? I do not think so. Others may come to a different conclusion. He is raising these issues because it is important that we prepare the American people for an analysis of exactly what the pros and what the cons are, what the benefits are, what the costs are.

Are we placing ourselves in greater jeopardy? Are we reducing the jeopardy to our new friends and allies? All of that is of critical importance, and we ought to discuss it before we take action, rather than bemoan the fact that someone has taken action and we are called to ratify it with no prior role or participation.

I hope we can amend the language to make it more positive, to ask about the benefits of expanding NATO, which

I support. But I hope we do not simply defer these questions until some time after the decision has been made and then have the American people say, ''We don't want it. We don't want to pay for it. We don't want the benefits of it. We don't want to defend Poland or Hungary or the Czech Republic or Slovenia or the Baltics. We don't want any part of that.'' And suddenly the United States is placed in the position of saying, ''Well, we can't back out of it now. We have made the pledge.''

So I think these are important issues to be discussed. I hope that we can help shape public opinion in favor of expansion, and I continue to lend whatever support I can to Presidential Candidate Dole, Senator Dole, whom I expect and hope will become the new President of the United States.

AMENDMENT NO. 4369

(Purpose: To authorize additional disposals of material from the National Defense Stockpile)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Maine [Mr. COHEN] proposes an amendment numbered 4369.

Mr. COHEN. 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:

At the end of title XXXIII, add the following:

SEC. 3303. ADDITIONAL AUTHORITY TO DISPOSE OF MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in amounts equal to—

(1) $110,000,000 during the five-fiscal year period ending September 30, 2001;

(2) $260,000,000 during the seven-fiscal year period ending September 30, 2003; and

(3) $440,000,000 during the nine-fiscal year period ending September 30, 2005.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

AUTHORIZED STOCKPILE DISPOSALS

Material for disposal	Quantity
Chrome Metal, Electrolytic	8,471 short tons
Cobalt	9,902,774 pounds
Columbium Carbide	21,372 pounds
Columbium Ferro	249,395 pounds
Diamond, Bort	91,542 carats
Diamond, Stone	3,029,413 carats
Germanium	28,207 kilograms
Indium	15,205 troy ounces
Palladium	1,249,601 troy ounces
Platinum	442,641 troy ounces
Rubber	567 long tons
Tantalum, Carbide Powder	22,688 pounds contained
Tantalum, Minerals	1,748,947 pounds contained
Tantalum, Oxide	123,691 pounds contained
Titanium Sponge	36,830 short tons
Tungsten	76,358,235 pounds
Tungsten, Carbide	2,032,942 pounds
Tungsten, Metal Powder	1,181,921 pounds
Tungsten, Ferro	2,024,143 pounds

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—(1) Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be deposited into the general fund of the Treasury and used to offset the revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 100 Stat. 658).

(2) This section shall be treated as qualifying offsetting legislation for purposes of subsection (b) of such section 4303.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(f) DEFINITION.—The term ''National Defense Stockpile'' means the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

Mr. COHEN. Mr. President, this is an amendment which I am offering, actually, on behalf of the administration. It is something that involves what we call research and development recoupment.

The state of affairs is as such: The U.S. companies that sell defense equipment abroad are charged a fee by the Department of Defense for the purpose of recouping the research and development investment that the Department has made in developing the equipment. These fees can run anywhere from 5 percent of the unit cost to as high as 25 percent of the unit cost.

These recoupment fees often put our industries at a substantial competitive disadvantage because the fees result in higher sales costs, leading some of the buyers to simply purchase foreign-produced systems, instead.

The Bush administration eliminated the R&D recoupment fee for commercial arms sales, but in the case of foreign military sales, so-called FMS, those in which the U.S. Government acts as a middleman, the fee is actually required by law.

Last year—let me emphasize this—last year the Defense Authorization Act included a provision to allow the President to waive the fee under two conditions. First, if imposing the fee would cause us to lose the sale, then the President can waive that recoupment fee. Second, if the foreign sale would result in unit cost savings to the Defense Department when it buys the same equipment and those fees would substantially offset the revenue lost from waiving the fee.

Here is the problem, Mr. President. Since allowing the fee to be waived would on a net basis lower Government revenues, last year's bill delayed the waiver authority until the enactment of legislation to offset the projected lost revenues through the year 2005.

So the administration, as required by last year's bill, has submitted such offset legislation. They have now submitted offset legislation which would cover the lost revenues by selling assets from the strategic stockpile. The Congressional Budget Office has given its stamp of approval to the administration's plan.

For several months there was some confusion over whether the administration's bill would work because it significantly overestimated how much lost revenue needed to be offset, calling into question whether the Department of Defense could sell off sufficient stockpile assets without interfering with the market.

Earlier this month, however, CBO concluded that waiving the R&D recoupment fee per last year's bill would cost roughly $415 million through the year 2005. That is about half of what the administration originally projected would be the cost.

At the time that the Armed Services Committee marked up this bill, CBO had yet to produce its analysis. So the issue simply was not addressed at that time. But after we completed the markup, President Clinton's administration said that unless we included this provision in the offset, they would recommend a veto of the DOD bill.

So, in essence, I am acting on behalf of the administration to try to avoid a veto of the measure by now offering that provision in the form of an amendment, the provision that the committee had failed to include. So I am serving here, I think, a bipartisan purpose; namely, the administration said we are going to veto this bill unless you include this amendment, so now I am offering the amendment to help avoid a veto.

I know that some Members from States that produce materials that would have to be sold have indicated some concern about the effect that selling these strategic minerals would have on the markets. But I emphasize, the amendment explicitly prohibits any sale that would have an undue disruption on the markets involved.

Also, I am aware that some Senators might look at this amendment and ask, ''Aren't we promoting international arms sales?'' I agree that we should always be careful about what arms we sell and to whom we sell them. But this amendment does not pose any problem in terms of unwise arms sales.

First of all, the amendment only deals with FMS sales, which the Government has complete control and discretion over. If a proposed sale is unwise or against our interest, this amendment in no way creates any incentive for U.S. officials to approve the sale. In fact, it would create a disincentive because waiving the fee would reduce revenues.

I also note a Presidential commission on conventional arms proliferation just last week released its report. That commission was chaired by Janne

Nolan, known to many Senators because of her service in the Carter administration and as a Democratic Senate staffer. Another commission member was Paul Warnke, who was President Carter's head of the Arms Control and Disarmament Agency. So we have two very strong individuals who have served in past Democratic administrations who served on this commission.

The commission came out with some strong recommendations to limit the sale of conventional arms to other countries. The relevant point for this amendment is that the commission called for the complete repeal of FMS R&D recoupment fees.

My amendment does not go that far. Perhaps we ought to eliminate the recoupment fee altogether. But my amendment is not trying to establish new policy. It merely finances the policy decision that Congress made last year when we approved the DOD authorization bill.

So, Mr. President, the President's commission on preventing the proliferation of conventional arms sales totally supports this particular approach. They want to eliminate the recoupment fee entirely. This is a much more modest step. It is something that the administration has requested. I hope that my colleagues will see fit to support it.

Also, Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Department of Defense supporting the amendment, an excerpt from the report of the President's Advisory Board on Arms Proliferation Policy, an article from the Washington Post describing the general findings of the commission calling for greater restraint in arms sales, and, finally, a letter from the Aerospace Industries Association, which endorses the amendment.

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

OFFICE OF THE
UNDER SECRETARY OF DEFENSE,
Washington, DC.

Senator STROM THURMOND,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR THURMOND: Your staff has asked for the Department of Defense views on two draft floor amendments to S. 1745, the DoD Authorization Act for Fiscal Year 1997. The first amendment would reinsert into the bill offsets valued at $440 million over nine years for funding Foreign Military Sales (FMS) from sales of excess inventories of the National Defense Stockpile (NDS). The initial Department of Defense legislative proposals for FY97 also contained such an offset provision. The draft floor amendment is worded somewhat differently from DoD's original offset proposal for FMS sales. However, we support the amendment as long as it contains language in subsection (c) subjecting the stockpile sales to a provision that would prohibit disposals to the extent that they would result in "undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal."

Without the market impact provision, the Department could be in a position where we would have to sell large amounts of its inventories of NDS materials on to the world market in order to meet the mandatory schedule of receipts even if this would adversely impact world markets for these materials and harm both domestic and foreign producers. Moreover, such action could affect the market value of the remainder of the NDS inventories of these materials making it impossible to meet the schedule of receipts in future years.

The second amendment would authorize sales of 10,000 short tons of Titanium Sponge. This amendment is duplicative of the disposal authority for Titanium Sponge in section (b) of the first floor amendment regarding FMS offsets which authorizes disposal of our total Titanium Sponge inventory of 36,830 short tons. Therefore, these amendments are mutually inconsistent. We believe the FMS offset amendment should have priority.

Sincerely,

JOHN B. GOODMAN,
Deputy Under Secretary
(Industrial Affairs and Installations).

Enclosure.

EXCERPT FROM THE REPORT OF THE PRESIDENTIAL ADVISORY BOARD ON ARMS PROLIFERATION POLICY

THE R&D RECOUPMENT CHARGE

Current law provides that when certain weapons developed for U.S. use are sold abroad by the U.S. Government, a charge is to be added to the price and remitted to the Department of Defense. This requirement, intended to recover part of the U.S. government's original investment, is called an R&D recoupment charge. The case-by-case application of this charge has historically been both uneven and controversial. Various administrations have obtained numerous exceptions from Congress, allowing the charge to be reduced or waived for foreign policy reasons. General exceptions currently exist in law for individual nations, including NATO allies.

Industry has argued that the charge discriminates against defense contractors, since such recoupment rules have no such parallel in other areas where the U.S. government has made major R&D investments in developing and purchasing capital equipment—for example, power generation, telecommunications, computer systems, and nuclear reactor technology. Further, American firms cite the R&D recoupment charge as a clear and sometimes significant price discriminator against them as they compete for sales in third countries against foreign producers. These foreign competitors have no equivalent added costs, and may even benefit from overt or covert subsidies from their respective governments. Based upon its review of this issue, the Board supports the Administration's stated intent to seek repeal of the current R&D recoupment charge.

[From the Washington Post, June 26, 1996]

ARMS TRADE MENACES U.S. SECURITY, PANEL SAYS: CLINTON-APPOINTED GROUP URGES RESTRAINT IN SELLING CONVENTIONAL WEAPONS TO OTHER COUNTRIES

(By R. Jeffrey Smith)

An advisory panel appointed by President Clinton has warned that the $22 billion global trade in increasingly sophisticated conventional arms threatens to undermine the security of the United States and its friends and has called on Washington and its allies to exercise more restraint in selling such weaponry to other countries.

Noting that the end of the Cold War has reshaped the world market for armaments and given the United States the predominant share of all such exports, the panel said that Washington should show more leadership to slow the proliferation of advanced weaponry and ensure that civilian technology are not being diverted to military use overseas.

Although the panel noted that some arms sales to friendly regimes can add to U.S. security, it warned that modern arms "have in some cases attained degrees of military effectiveness . . . [previously] associated only with nuclear weapons" and expressed particular concerns about the risks from selling to unstable regimes in Asia and the Persian Gulf.

In particular, the panel called for U.S. policymakers to stop approving some weapons exports to prop up declining U.S. defense firms, a recommendation at direct odds with a U.S. conventional arms control policy adopted by Clinton in February 1995. National security interests should be the sole criteria for making such exports, and domestic economic pressures should "not be allowed to subvert" decision-making, the panel said.

"The world struggles today with the implications of [exporting] advanced conventional weapons," including the promotion of regional arms races or political instabilities, and risks to U.S. soldiers overseas, the panel said. It warned of even greater problems in the future, as "yet another generation of weapons" with greater destructive power is exported.

As a result, the five-member, bipartisan panel said it was "strongly convinced that control of conventional arms and technology transfers must become a significantly more important and integral element of United States foreign and defense policy if the overall goals of nonproliferation are to succeed." The report—the result of an 18-month study with assistance from the Rand Corp.—was presented to the White House on Friday, and is to be formally released this week.

The U.S. shares of the global arms market is 52 percent, up from around 25 percent nine years ago, and will likely expand to about 60 percent by the end of the decade, according to the report. But the size of the market has shrunk by more than half during the same period, primarily at the expense of Russia, which no longer ships arms to client states such as Afghanistan, Cuba, Iraq, Syria and Vietnam. U.S. domestic arms procurement also declined by $60 billion between 1985 and 1993.

The result is what the report describes as an "excess production capability" in weapons factories around the world that has created enormous corporate pressures to sell products abroad. The Clinton administration paid heed to these pressures when it decided that safeguarding the U.S. "defense industrial base" or certain key U.S. defense firms should be among the criteria used in arms export decisions.

The panel said, however, that the export market remains too small to compensate for domestic business losses, and that "means other than questionable arms sales" are available to protect vital U.S. defense firms. It said that "the best solution to over capacity in defense industries is to reduce supply rather than increase demand."

This conclusion was hailed by House Budget Committee Chairman John R. Kasich (R–Ohio), who sponsored legislation creating the panel. "'It's the economy, stupid,' is a cute slogan, but must never be the justification for arms sales abroad. I am glad the commission rejected the industrial base argument and hope the administration will implement the recommendation."

The panel was also sharply critical of the way the administration reviews arms exports, accusing the National Security Council of paying insufficient attention to the issue and urging it to exercise more power to

restructure interagency mechanisms for greater efficiency, including improved intelligence-gathering. It also said regulations created by a half-dozen or more laws that govern exports should be formed into a ''single, coherent framework.''

''It looks like a very thorough, thoughtful, comprehensive report and we look forward to studying its recommendations closely,'' a senior administration official said.

The panel chairman was Janne E. Nolan, a senior fellow at the Brookings Institution who was a delegate to international arms transfer negotiations during the Carter administration. Its other members were Edward R. Jayne II, a business executive; Ronald F. Lehman, a former director of the Arms Control and Disarmament Agency in the Bush administration; David E. McGiffert, a former assistant secretary of defense; and Paul C. Warnke, a former U.S. arms negotiator and assistant secretary of defense.

AEROSPACE INDUSTRIES ASSOCIATION,
Washington, DC, June 27, 1996.

Senator SAM NUNN,
Ranking Member, Senate Armed Services Committee, Russell Senate Office Building, Washington, DC.

DEAR SAM: The Arms Export Control Act currently requires the government to add a charge on all Foreign Military Sales (FMS) of major defense equipment to recoup costs incurred by the government for the research and development, and non-recurring costs for production of the products being sold. The Bush and Clinton Administrations, recognizing that this fee is essentially a tax on exports, asked Congress to rescind this requirement. Furthermore, the recently published Report of the Presidential Advisory Board on Arms Proliferation Policy, also recommends that this charge be eliminated.

Congress ultimately included an authority in the FY 96 DoD Authorization bill to waive FMS recoupment requirement should failure to do so likely result in the loss of a sale or should U.S. Government procurement cost savings associated with a sale substantially offset the foregone recoupment revenue. However, this waiver authority is not effective until qualifying budget offset legislation is enacted. Recently, DoD has identified such a budget offset.

It is my understanding that Senator Cohen (R ME) will offer an amendment to the FY97 DoD Authorization bill that will enact the budget offset legislation. As I mentioned above, the recently published Presidential Advisory Board report states that recoupment charges should be completely eliminated. Senator Cohen's amendment would provide only partial repeal, and we feel that this is a fair compromise position.

We believe that the time has come to eliminate this tax on exports, and we urge you to support the Cohen Amendment.

Sincerely,

DON FUQUA.

Mr. LIEBERMAN. Mr. President, I am offering my support to and cosponsorship of Senator COHEN's amendment to the fiscal year 1997 defense authorization bill which authorizes additional disposals of material from the national defense stockpile. The revenues generated by these sales are needed to offset the revenues lost as a result of waiving certain surcharges on sales of U.S. defense equipment to foreign countries aimed at recouping some of the original costs of developing those products.

Last year, this Congress correctly saw fit to expand the President's authority to waive these surcharges when, and only when doing so would improve the prospects of winning contracts from foreign countries or lowering the cost of acquiring similar equipment by the Department of Defense. With the downsizing of our military force structure and the concomitant reduction in demand for equipment, it has become increasingly important for us to ensure that we can maintain a minimum industrial base and the skilled workforce necessary to preserve our production capabilities so as to provide for an adequate defense of our Nation. These sales will help us maintain these manufacturing and manpower capabilities.

In addition, the requirement for the stockpiles that would be reduced by this amendment was established in case they would be needed in a protracted war with the Soviet Union. Clearly, this threat has significantly abated, and the stockpiles in question are in excess of any near term requirement.

Mr. President, for these reasons it is important that these stockpile sales be authorized. I urge my colleagues to vote for this amendment.

Mr. COHEN. I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Thank you, Mr. President.

AMENDMENT NO. 4367

Mrs. HUTCHISON. Mr. President, I rise to speak on behalf of the Nunn-Hutchison amendment. Let me just say that I appreciate what has been said on the floor, and I think that all of us are moving in the same direction. I think that we are moving in a very positive and responsible way. This is not an issue of, are you for NATO expansion or not? This is an issue of a responsible approach to the expansion of NATO.

What we are asking for is a report that would ask and answer the questions that anyone coming into a mutual defense pact would want to be answered. Very clearly, if we are going to put up the resources of the United States and the lives of our young men and women who are in our armed services, we want to do it in a very responsible and studied way.

We have simply said we want this decision to be a fully informed decision. We want to know the extent to which any prospective new NATO members have established democratic institutions, free market economies, civilian control of their armed forces, the rule of law, parliamentary oversight of military affairs. I think these are very important questions to ask because they determine how strong a democracy will be in any country that would be part of this very important alliance.

I think it is important that we know what are the mechanisms for border dispute resolutions. Certainly, we know there are going to be border disputes among friendly nations. There are border disputes that are not so friendly. We must know exactly what the resolution of border disputes will be, how will it be handled, what are the mechanisms that will be set forth for the resolution of border disputes.

Most certainly, had Yugoslavia been a member of NATO, it would have put us in a very difficult situation. Yugoslavia was not a member of NATO, so it was not in the perimeter of the actual NATO alliance. I think these are very valid questions. I am certainly going to support the informed expansion of NATO. I want to be there for especially the countries that are trying so hard and are succeeding at having strong economies and are putting democracies in place that are beginning to work. I think we are looking at the time element here. We need to have a test of time before we go into the mutual defense pact. That is what we are saying here.

I think it is a very positive thing for all of us to ask these questions and to make sure that if we are going to have before us the ratification of the expansion of the NATO treaty, that we have all of the answers to these questions, because a two-thirds vote will be required in the Senate. We want to make sure there is overwhelming support.

Last but not least, Mr. President, I want to make sure that we protect the underlying NATO alliance. I think it is very important we keep the commitment that we have in this country to our transatlantic friendships and our transatlantic allies and alliances. To do this, we must make sure if we expand this very important alliance, which I think probably has been the most successful alliance perhaps in the history of the world, that we need to do it judiciously and carefully and in a very informed way.

I think we have seen great disagreement on American troops in Bosnia. We did this in a NATO mission. I do not want there to be a question in the future about the strength of NATO or our commitment to NATO. This is our important alliance. I want to keep it strong. I think the way to do that is to make sure when we expand, we do it in an informed way.

It is not a question if you are for or against the expansion of NATO, but whether you are for a deliberate and informed expansion of NATO. I think there can be no question that when the lives of our citizens are at stake and when the money of our hard-earned taxpaying citizens is at stake, we should know exactly what we are getting into, as should every member nation of this alliance and every prospective member nation of this alliance.

I speak in favor of the amendment. I hope we can work out the language so that every single Member of the Senate will be comfortable that this is the right thing to do. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. 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 support the adoption of the amendment offered by the able Senator from Maine.

The Department of Defense proposed this amendment allowing the President to waive recoupment charges on foreign military sales. This measure to repeal the recoupment provision is strongly supported by this administration, which feels that recoupment is an impediment to foreign military sales. Eliminating recoupment was also supported by President Bush's administration. So this is not a partisan issue. Because of its support by the executive branches under both Republicans and Democrats and because of the support on both sides of the aisle in Congress, this matter needs to be addressed.

Some will no doubt contend that eliminating recoupment charges will encourage an arms race. Those against repealing recoupment argue that we are going to become an arms merchant, and that we are going to contribute to the escalation of arms sales all over the world if this recoupment provision is repealed. There is no basis for such claims. In fact, the decision as to whether or not to buy a particular weapons system is made primarily by countries and their particular defense needs. Elimination of recoupment is not an incentive to additional arms sales. However, its elimination will have the result of making the United States much more competitive in terms of being able to compete with those nations which are now both our allies in the world and also now our industrial competitors. The United States initially enacted laws requiring recoupment payments primarily for the benefit of our allies, especially to enable our NATO allies to have these weapons. Now that is no longer solely the case. Our friends are also competing internationally with U.S. businesses, and in many cases they are overtaking us on some of these arms sales. This ultimately affects U.S. jobs.

Mr. President, recoupment payments were initially instituted in the early 1960's. The intent of recoupment was to enable our Government to recover part of the cost of developing the technology needed to fight at the side of our NATO allies and win the cold war. However, our allies—especially in Europe—have now also become our economic competitors. Now, when American corporations attempt to sell military goods, their products are burdened with a surcharge that makes American products less competitive. These exports create and protect thousands of American jobs and contribute billions of dollars to our national economy. Lowering barriers and expanding opportunities for American companies to trade abroad is critical to America's long term well-being and international competitiveness.

If we encourage appropriate and responsible commercial foreign military sales, we do three things. Jobs is one. Second, we save the industrial base. The United States can use the advantage of a strong industrial base later as our own national security problems arise. Third, and this is very important in terms of saving money for the Government, we are able to manufacture more units of whatever is exported. Because of these exports, we lower the per-unit cost of whatever the item might be. This means that when the U.S. Government purchases that item in the future, it will cost the United States less. If, for instance, C–17's are sold abroad, the per-unit cost of is lower to the U.S. Government. We save the industrial base; we lower the cost of defense purchases for the U.S. Government. For all these reasons I think this proposed change in the law is a worthy idea.

Mr. President, the question of recoupment is also a question of national security. If we can keep defense industry healthy doing business that is fully supported by our laws and U.S. foreign policy, then this same industry will be alive and healthy to produce weapons and defense assets for the future in the event the need arises in this increasingly unstable world. This is one strong measure in which we can help preserve our industrial base. If our industrial base shrinks, it would jeopardize us in the event we have hostilities elsewhere in the world. We must respect these long-range national security implications. The issue has jobs, economic, and security implications for our country. For these reasons, I support adoption of this amendment.

(Mrs. HUTCHISON assumed the chair.)

Mr. GRASSLEY. Madam President, I ask unanimous consent that the Cohen amendment be set aside for the purpose of my offering an amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 4370

(Purpose: To establish a commission to review the dispute settlement reports of the World Trade Organization, and for other purposes)

Mr. GRASSLEY. Madam 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 Iowa [Mr. GRASSLEY] proposes an amendment numbered 4370.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. GRASSLEY. Madam President, the amendment that I am offering does not need a great deal of discussion. The reason it does not need a great deal of discussion at this point is because it has been considered on the floor of the Senate and has been the subject of hearings before the Senate Finance Committee.

This amendment incorporates the language contained in S. 1438, the bill introduced by our former colleague, Senator Dole. It would create a review commission, consisting of Federal appellate judges, who would review the decisions of the World Trade Organization. It would review those decisions made against the United States. The judges would determine whether any decision was arbitrary or capricious, or otherwise constituted an abuse of the World Trade Organization's authority.

If such an abuse were found by our appellate judges, that determination would be transmitted to the Congress. At that time, any Member of Congress would be authorized to introduce a joint resolution calling for the renegotiation of the World Trade Organization dispute settlement rules.

Upon the third such determination within a 5-year period, a joint resolution could be introduced withdrawing congressional approval of U.S. membership in the World Trade Organization.

It should be remembered that this language was approved by the White House as part of the compromise needed to assure passage of the Uruguay Round and, as more and more cases will be going to the WTO in the future, this amendment will provide a crucial safety valve to assure that our interests in free and fair trade will be given a proper hearing.

It should also ease the fears of any of our constituents that the United States has somehow surrendered its sovereignty by joining the World Trade Organization. I think such an argument is not very factual, does not have any basis whatsoever; but those arguments are made. And it was a major issue of concern during the debate on the approval of the World Trade Organization 2 years ago. So we now know that not to be true.

But Senator Dole, because of that concern at the time of the approval, worked out this agreement with the administration, in order to assure passage of the Uruguay Round. President Clinton strongly supports this bill, and it is supported by the special trade representative office. I believe that now is a good time to put this commission into place. So I ask my colleagues to vote for this amendment.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina, Mr. HOLLINGS, is recognized.

Mr. HOLLINGS. Madam President, I was just notified that the amendment was called up, and I do not have my entire file on this subject here. But I have

a mental file because this has been discussed back and forth over the past several months.

What really occurred, Madam President, is that we made a disastrous mistake in joining in the World Trade Organization. We joined the WTO without the caution exercised in joining the United Nations. We would never have really joined the United Nations and maintained our support for its operations had we not had our veto power in the U.N. Security Council.

The creation of a security council with an absolute veto by any one member was debated at length at the time of the adoption of the United Nations. Here we were, in the family of some 117 countries at the time—and I think maybe 137 have joined since—and in this family of nations, we were looked upon as the rich nation that could afford any and every kind of contribution for the freedom of man the world around. This was particularly true when it came to economic affairs. We agreed to act as the market of first resort in order to rebuild the shattered economies and in order to develop the third world. If we had any illusions about how we are perceived in most international organizations we need only to look back to 3 weeks ago when the—the People's Republic of China—faced condemnation by a U.N. resolution criticizing the People's Republic for human rights abuses. In the United Nations they passed a resolution, joined in the Assembly with the European Community and the United States, to get a hearing before the Human Rights Commission. Our friends, the People's Republic of China, immediately went down to Africa and corralled the votes, and when the issue came up 3 weeks ago, the People's Republic of China had the votes within the U.N. Human Rights Commission that it was what they called a nonissue, and not to be discussed.

So here is an example of the problems we face in the international organizations, rather than the United States being the leader we were immediately put on the defensive and roundly condemned in the developing world. We may think of ourselves as the light upon nations leading the way to democracy but in international organizations we are viewed as the hypocritical rich uncle constantly lecturing others on how they should behave.

With respect to the World Trade Organization itself, we argued at the time—and I will argue at length here this evening—how we lost our rights under section 301. So we have lost those rights under 301.

Again, not just 3 weeks ago but this past week, you see where the United States of America has abandoned the Eastman Kodak case, instead of using sanctions for unfair practices not covered under the WTO the Japanese have called our bluff and said in the new WTO era all disputes must be taken to the WTO. We had no choice but to comply with their desire to settle this dispute. If the WTO found against Japan and for the United States in that particular case, I can tell you right now that would be the end of the WTO. If the WTO rules in favor of the Japanese in the Kodak case I can tell you right now, we won't need a review commission, the pressure to withdraw from the WTO will be overwhelming. This case amply displayed that we have lost our independence in trade policy, the WTO has achieved its principal objective, the elimination of U.S. unilateralism in trade policy.

There are two very important individuals that are worried about these strains. One is the President of the United States, and the other is the likely Republican nominee for the Presidency here come November. These two folks are unindicted coconspirators if you will conspiring to pass the GATT. The Senator from South Carolina would then charge them—that is the President and the Republican nominee—as conspirators unindicted to cover their backsides.

The Senator from Iowa has put in S. 1437, the Dole bill, Calendar No. 253, to establish a commission to review the dispute settlement reports of the World Trade Organization.

Madam President, this is not a well-conceived thing. It need not be well conceived because it really is to get the people past the Presidential election. But the commission shall be composed of five members, all of whom shall be judges of the Federal judicial circuits and shall be appointed by the President, after consultation with the majority leader and minority leader of the House of Representatives, the majority leader and the minority leader of the Senate, the chairman and the ranking member of the Committee on Ways and Means of the House of Representatives, and the chairman and ranking member of the Committee on Finance of the Senate.

Here is a high-level commission of Federal district judges from the Federal judicial circuit, plus these leaders in both Houses, and everything else, to get together to do what? To determine if three adverse rulings by the World Trade Organization are, of course, adverse, being against us, and, if so, then they can memorialize Congress to pass a resolution to withdraw from the World Trade Organization.

We can do that now. We do not need a commission.

This crowd has certainly got political gall to buck the responsibilities of being Senators and Congressmen to any and everybody else. It is sort of hit-and-run driving in politics in this day—''I am concerned. I am concerned. I am disturbed.'' This crowd should quit getting concerned and disturbed, and let us start to do some things.

This does nothing. It can be used on the political stump in the Presidential debates later on. ''Oh, yes, don't worry it. We got a high-level commission that we passed this year to review it.''

Well, go over there and ask the Chief Justice of the Supreme Court of the United States, and he will tell you these Federal district judges have no authority to serve on such a commission. In fact, they will be forbidden to serve on it.

This is hogwash, a cover-your-backside kind of resolution to show that they are concerned and they are disturbed and they are watching it carefully, as they berate, ''I am for jobs, I am for jobs, I am for jobs.'' They are nothing but pollster politicians running around—''I am for the family and against crime. I am for jobs and against taxes.'' And all they do is they take these seven or eight hot buttons, and they make their little TV squibs, 20-second bites. As long as they can articulate a lot of them with a lot of money, a lot of TV shots and everything, come to public service, and they do not know anything else to do.

They get in this sort of game here tonight where we have the armed services bill, a very important measure. I serve on the Defense Appropriations Subcommittee, so I am familiar with many of the particular issues that need be decided here by the U.S. Senate on the armed services authorization. But, instead of that, we got any and everything—cattle, dog—bring it up with respect to this. This is a grab bag for the Presidential race, and we do it, so-called, with dignity and in seriousness of purpose, and treat it seriously by this news crowd that my friend James Fallows has written an entire book about, now, about breaking the news, how the media undermine American democracy.

So it will be my purpose this evening—and I will be taking up a good part of the evening, I would think, because I do not have some of the colleagues alerted, but I will be taking up a good part of the evening reading this bill and the Fallows book about how the media has undermined American democracy by refusing to engage in the real issues the American people should be engaged in.

Fallows really has a very interesting approach, Madam President. He describes the dichotomy between Walter Lippmann, on the one hand, and John Dewey on the other. Lippmann contended that the press should be an erudite, an unusually trained and skilled group on all the complicated subjects, and together they should decide the more or less bill of particulars for the American public and the programs and the way they emitted the news.

In contrast, John Dewey said, yes, they should be well trained and skilled, fully informed of this particular subject matter, but, more particularly, they should engage the American public in subject matters that need to be engaged in—and that, they have not. And to tell the American people the truth even at times they do not want to hear the truth. The truth is the most important subject totally neglected in this particular session of the 104th Congress is the subject matter of trade. The helter-skelter treatment

given trade in November year before last was just that. We were force fed without the proper leadership, without the proper hearings. We tried our best at the level of the Commerce, Science and Transportation Committee that I chaired at that particular time to bring the witnesses from all the different trade organizations.

Madam President, I am getting good news. I feel that my good friend from Iowa realizes how serious we are. I do not want to just act like we do not have a point here and we are just politically rejoining.

I happen to be a friend of the distinguished former majority leader, the Republican nominee for the Presidency. I will never forget the early days when I had suggested the appointment of Clement Furman Haynesworth to the U.S. Supreme Court, a distinguished South Carolinian, and I turned to then freshman Senator Robert Dole, of Kansas, who stayed in the Chamber intermittent hours on end to help me with that particular appointment. We have been close friends ever since. But I had explained to the distinguished former majority leader that this was a subject matter not to be glossed over with one of these cover-your-backside kind of amendments to get a judicial council like they are studying it and they are watching it closely—all, of course, apple sauce to get us past the November election and then once again the total drain of America's industrial backbone.

I would be delighted to continue. I know my distinguished former majority leader, the former President pro tempore of the Senate, the Senator from West Virginia, had a studied amendment here. I wanted to be able to discuss that. But I have just been notified that the distinguished Senator from Iowa has a different idea perhaps at the moment for this particular evening about his amendment. And I learned in the courtroom long ago, when the judge is ruling with you, to hush, so I yield the floor.

Mr. BYRD. Madam President, will the Senator yield before he does?

Mr. HOLLINGS. Yes.

Mr. BYRD. Madam President, I congratulate the distinguished Senator.

He will perhaps remember that one Friday afternoon, I believe it was, most everyone had gone home and the distinguished former majority leader, Mr. Dole, wanted to call up this bill and get it passed by unanimous consent, and we contacted, I believe, Senator HOLLINGS' office and Senator DORGAN's office because I knew how they felt about it. I think everybody was gone. I said, well, who am I to object to this, but I just do not feel right in letting this bill pass with nobody here, so I objected to passing the bill by unanimous consent on that afternoon, which irritated the then-majority leader, but I was sure I did the right thing in objecting to unanimous consent.

I voted against the GATT, as did the Senator from South Carolina; I was very much opposed to it. I did not think too much of the legislation that was being drawn up by Mr. Dole because it included a number of judges, five I believe. They do not have time to engage in matters of this kind. As a matter of fact, I received a letter dated August 31, 1995, from the Administrative Office of the United States Courts in which they objected to this legislation.

So I thought, well, I would like to get that judgeship panel out of there, but I was unable to get it out, and so I decided I would try for an amendment that would create some other entities, one of which would be made up of business men and women and labor representatives, so that they would have some idea of what is happening, what the impact of WTO decisions was going to be on our own economy, jobs, and so forth.

So that was the amendment I was going to offer if this thing was going to move, and I am sure the distinguished Senator, while he opposed the then Dole proposal and now the proposal by the Senator from Iowa, would not oppose my amendment if it had to go along with this thing. If the Senate is going to act on it and take it, I would like to have my amendment on it. But I am personally happy just to rest and let matters take their course, and if on another day this comes up, I will have my amendment ready if need be.

I thank the Senator. I think he has done yeoman's work here, and he has been successful. I will sit down. I will take my seat along with him.

Mr. HOLLINGS. I thank the distinguished Senator.

Mr. BYRD. Madam President, I ask unanimous consent to insert in the RECORD the letter to which I referred from the Administrative Office of the United States Courts.

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

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS,
Washington, DC, August 31, 1995.

Hon. ROBERT C. BYRD,
United States Senate,
Washington, DC.

DEAR SENATOR BYRD: The Judicial Conference of the United States opposes the enactment of S. 16, the WTO Dispute Settlement Review Commission Act, so long as five sitting federal judges are required to become members of this commission. Accordingly, we applaud your action of August 11, 1995, when you declined to give consent to Senator Dole's request to allow the Senate to pass this bill.

While you said on the floor that you do not have a full understanding of the merits and demerits of S. 16, your instincts were entirely correct. There is no compelling reason why sitting federal judges have to comprise the membership of this commission. As you say, the judiciary has a very heavy workload, and also the responsibility to the public and to litigants to promptly deal with the cases assigned to them. In response to your second point, federal judges have no special competence or experience to decide whether a WTO dispute resolution panel complied or failed to comply with GATT-related rules in reaching a decision.

The Finance Committee held a hearing on S. 16 on May 10, 1995. Judge Stanley S. Harris testified in opposition to the bill on behalf of the Judicial Conference. A copy of the Judge's statement is enclosed. Judge Harris explained that of the 179 authorized circuit court judgeships, 16 positions are vacant; that circuit court judges have, on average, dockets of nearly 300 pending cases, up from 120 cases in 1970; and that the forecast is that the caseload will continue to increase. In sum, forcing five judges off the bench, for at least six months each year, will have a negative effect on judicial resources.

During the Finance Committee hearing, the issue of the constitutionality of this bill was raised by Senator Grassley. Judge Harris pointed out in his prepared statement that the Judicial Conference does not offer advisory opinions on such an issue, although he urged the committee to study the constitutionality of this bill for itself. A witness at the hearing, Alan M. Wolff, testified that the use of federal judges on the commission ''does not present constitutional problems''.

Given that, Senator Grassley asked Judge Harris his personal opinion of whether Congress has the authority to assign non-judicial duties to Article III judges in light of *Mistretta* v. *United States*, 488 U.S. 361 (1989). In that case, the Supreme Court held that sitting Article III judges could serve on the U.S. Sentencing Commission. Judge Harris said that the ''linchpin'' of the Mistretta decision was that the Court recognized that the U.S. Sentencing Commission operated ''within the essential framework of the Judicial Branch of Government'', that the duties to be performed by judges on this commission were clearly not judicial functions but rather functions ''sort of in between the Executive Branch and the Legislative Branch'', Judge Harris then summarized as follows:

''I commend the purposes of S. 16. I think it would be extremely unfortunate to have it begin to be implemented, get down the track, and then get thrown off the track by a conclusion that it involves an unconstitutional use of Article III judges.''

In conclusion, I commend you for your action on August 11. Hopefully, if and when the Finance Committee considers S. 16, it will decide that all federal judges should continue to judge as the Constitution commands, and that others can decide whether the United States has been treated fairly by the World Trade Organization. If I can provide anything further to convince you to persist in opposing this bill, please advise.

Sincerely,

L. RALPH MECHAM,
Secretary.

Mr. THURMOND. Madam President, there is no question that the new rules of the World Trade Organization, especially the new dispute settlement regime, can create a situation of unprecedented opportunity. It also creates a situation of potential harm to American interests if we do not enact responsibilities by Congress on this matter.

Americans have been generally suspicious of the GATT Agreement and the corresponding powers given to the World Trade Organization. Many Americans feel our country might be giving up far more than we are getting under this agreement. Most importantly, what we appear to be giving up is some of our sovereignty, some of our ability to decide for ourselves, and control over the laws and practices which govern us. The biggest potential threat to our sovereignty is the new dispute settlement process.

If we are to be comfortable with the international dispute settlement process, above all else, it must be completely impartial. If the United States does not perceive impartiality and if the WTO oversteps its authority, then our country must be prepared to respond. That is what this amendment calls for. The Dispute Settlement Review Commission will help us respond. The Commission will review every adverse decision issued by the WTO. Federal appellate court judges, which this amendment proposes as Commission members, are especially qualified to review these decisions, because the questions will be complex international legal issues of whether the WTO as an international tribunal acted within its authority, abused that authority or acted arbitrarily or capriciously.

I believe establishing this review commission will enhance the credibility of the WTO. It will be a powerful signal to WTO panelists that their work must be absolutely impartial. And, a reminder of their obligation to observe the bounds in negotiated trade agreements. And perhaps, most importantly, it will demonstrate that the U.S. Congress takes a strong and long-term interest in the dispute settlement process and its proper functioning. Confidence in the WTO process was not created merely by signing a trade agreement. Confidence must be built up over a long time.

I believe the President has already expressed support for this legislation in its earlier form as a bill. This is not a partisan measure. It gives Congress some authority and some responsibility required in international trade. We know the American people are concerned about job loss, about exporting jobs, and about international organizations making decisions that might affect their jobs. In this light, the Congress should have some comment on the WTO's activities, and if necessary, authority to initiate withdrawal from participation if U.S. interests are abused.

It would also send a strong enough signal that some of our unfair competitors in foreign countries understand that we are serious about this. We are concerned about American jobs, fairness in international trade, and the accountability of Congress in these matters.

AMENDMENT NO. 4370, WITHDRAWN

Mr. GRASSLEY. Madam President, I will withdraw my amendment and do withdraw it, but I want to make some points.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. My amendment is withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. GRASSLEY. I want to make a couple of points, some of them on the issue and some of them the situation we are in with this amendment.

This amendment has been approved by the Senate Finance Committee a long time ago. This amendment has the support of the President of the United States. This amendment has the support of the person who will be the Republican nominee for President of the United States, a former Member of this body, Bob Dole. I would imagine, if we could get this amendment to a vote, it would carry overwhelmingly.

If anybody wonders why sometimes the political process does not work, the decisionmaking process does not work, this is a perfect example. How much better of a position should the Senate be in to get work done, passing very good legislation, when the President of the United States, who is a Democrat, thinks it ought to be done and the Republican nominee to be thinks it ought to be. If they agree on it, it seems to me it ought to have a pretty good chance of passing the Senate but not so.

Just remember, that is the situation. Also remember the situation is this in regard to the World Trade Organization, the WTO. It builds on 50 years of dispute settlement within the GATT process. There has been a dispute settlement process to have trade disputes between two countries settled for almost a half a century. The United States had a lot of trade disputes with other countries before GATT over the last half century. We would win a fair majority, a good number of those disputes.

But under the old process, the United States could win and not win. We could win because we had the facts on our side, the decisions were made in our favor, but if the country we defeated wanted to ignore the decision, they could thumb their noses at the process, thumb their noses at the United States. If we were to take action, we could be guilty of violating the GATT agreement, just because we were willing to take action to do what was said to be right for ourselves in the first place.

So the World Trade Organization has a process that will allow disputes between countries to be settled, but it also allows retaliation by a country if the country that is the loser in the process is not going to honor and respect the decision.

It seems to me that anybody who wants the United States to advance as a result of the freeing up of trade, and to have disputes settled, ought to welcome the opportunity when there is a dispute settlement process in which not only will the United States have as much of a chance of winning as ever, which seems to always be in our favor, and be able to enforce that, because if the other country will not respect it, unlike in the past, if we were to take action, it would be GATT illegal. If we are to take retaliatory action at this time, it will be GATT legal. And everybody understands that the world is better off with the freeing up of trade.

Any of the speakers on free trade, any of the speakers on GATT, have to realize that our country has more to gain than any other country has to gain by the freeing of trade because we already have lower barriers than any other country has. If other countries under those agreements bring their barriers down, we are the winners, not the losers. And $1 billion more in trade is 20,000 more jobs. That is not bad for America.

So I hope sometime we will be able to get this legislation passed. Again, the President of the United States, President Clinton, agrees it should be done, and Bob Dole agrees that it should be done. We should do it.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, right to the point, that is exactly what is the trouble right this minute. The Finance Committee approved GATT and the WTO. The President of the United States approved GATT and the WTO. Senator Bob Dole approved and led the fight for the approval of GATT and the WTO.

Now, why is the President this very minute in France beating up on the council of the seven economic ministers? Why is he beating up on the Japanese, trying to get their attention? Because the World Trade Organization and the GATT agreement has chilled progress in trade disputes.

Specifically, the Japanese will not even talk to us. They have WTO. They know they have the vote. So, under 301, we found out we could not use the sanctions, and if we tried to, they would retaliate against us. Not retaliate as the distinguished Senator just referred—that is exactly our dilemma.

So they say, point 1, it probably is a matter of terrorism. Because publicly the public can understand that, and we all really regret the loss. I have had 10 of those airmen—we did not lose them—we had 10 hurt in Charleston, and we had from the 9th Air Force, I would say, 30 or 40 at least flying those F–16's out of Shaw Air Base. So I do not talk casually about that.

But the real No. 1 trade issue is this dilemma we have gotten into with the World Trade Organization. We are not making any progress at all. We had a semiconductor agreement. Instead of adhering to the agreement, they ignore it now. They said, go to the WTO, go to the WTO. We know that is a loser now.

So, politically, before the American people can appreciate —and my distinguished colleague from Iowa can appreciate—the fact that the WTO is a loser, before we can learn that, let us get in ahead of the curve here, of public despondency over the trend of trade in this so-called globalization, globalization, globalization.

Specifically, I want to make one good reference that is categorically uncontested. In 1981, we had before then-President Reagan a textile bill. The deficit and the balance of trade in textiles in the United States was $4 billion. The deficit in the European Community in textile trade was $4 billion.

I noted just recently, of course, that the Europeans enforce their trade agreements. We do not. We act like we have these rights, and we are in there moving and we are watching and everything else of that kind. We just never have been astute to really go against these dumping cases. We have asked for more customs agents and everything else. The authorities, customs, tell us there are as much as $5 billion in transshipments violations coming in here with this cheap clothing, way less than any kind of minimum wage, child labor and slave labor, you might call it, in the People's Republic, all being manufactured.

The deficit and the balance of trade in Europe in textiles is less than $1 billion. The deficit in the balance of textile trade is $35.8 billion. So, the Europeans know how to deal and enforce, and categorically have. We have taken the position of Uncle Sucker. We have done it in defense, and we know it. We have done it in all these other international organizations, and we know it. It is time we start protecting our industrial backbone.

America's strength and security rests like on a three-legged stool. We have the one leg of defense. That is unquestioned. That is what they mean by superpower. We have the leg of the values as a Nation, and that is strong. Yes, we feed the hungry in Somalia. We sacrifice for democracy, to build it in Haiti. We commit troops to try to bring peace in Bosnia. So our values, we all know, of the American good will, stand for freedom and democracy the world around.

But the third leg of economic strength, that leg was fractured over some 45 to 50 years now. The cold war, where we had to intentionally, in a sense, sacrifice that leg in order to keep the alliance together. But now, with the fall of the wall, we continue to act like we are fat, rich and happy.

The American people see it. Why do you think they followed Pat Buchanan wherever he went? Because he was talking sense on trade. I do not agree with him on many of his other stances, but he was solid as a dollar on the subject of jobs and trade. That is why he was picking up Republicans, Democrats, Independents, all, as long as he talked that sense on trade.

My workers know, for example, under NAFTA we have already lost, last year, 1995, with the closure of 21 mills, the loss of 10,000 textile jobs. Almost that many already this year have gone down to Mexico and to Malaysia. You go over to the Secretary of Labor and the fine little gentleman gives you the singsong, ''retrain, retrain, retrain.''

Madam President, I wish to get your attention here. If you look at Oneida Mills that just closed—they have been there 37 years—just the other day, 487 workers, most of them female. They make T-shirts. The age average is 47 years of age.

Let us retrain them and assume tomorrow morning they are already expert computer operators. Are you going to hire the expert computer operator, 47 years of age, or the 21-year-old computer operator? The answer is obvious. You are not going to take on the retirement costs. You are not going to take on these medical costs. But that is what they continue to tell you up here. The American people are losing these jobs, losing this industry, losing, as a Nation, our economic strength.

Superpower—they are ashes in my mouth. You cannot use the nuclear bomb, we all know that. We cannot meet them man for man on manpower. We try to develop our technology, but the truth of the matter is, by the year 2000—Fingleton, read his book ''Blind Side''—they will have a larger economy with 120 million and less than the size of California, compared with our 260 million.

They are already our manufacturing superior. Give them 4 more years, and they will have a larger economy than we will have. In 15 years, the People's Republic of China will be ahead of us. We are going the way of England, I can tell you that right now: a second-rate nation with a lot of parliamentary papers and scandalous newspapers, parliamentary maneuvers around here and debate, debate, debate: ''I am concerned,'' ''I am worried,'' ''I am disturbed,'' ''I am concerned,'' ''I am worried,'' and nothing happens. It is all procedural.

That sorry contract over there on the House side was all procedural bunk. Term limits, product liability—I can just go down the list of all of those things they had in there. Constitutional amendments—it is like running up in the grandstand like a football team: ''We want a touchdown.'' We are on the field, and we are supposed to balance the budget, but we have to hear all the procedural crap so we can get to the next election and try to get elected and try to hoodwink the people even further.

It is time we stop this nonsense and realize—I say to the distinguished Senator from Iowa that I am just as much an agricultural Senator as he is. I got up to WHO in Des Moines, IA. It was 5:30 in the morning. ''No Democrat would appear.'' I did.

The first question for me was, ''Senator, how do you expect to get any votes out here in Iowa when you are standing for all the protectionism for the textile industry?''

I said, ''Wait one minute.'' It was a young lady. I said, ''Madam, the truth of the matter is that we don't ask for any protection. What we ask for is protection of our agricultural products. We believe in price supports and import quotas and those Export-Import Bank subsidies. We've got wheat, too, and corn. We've got agricultural products.''

Until I was Governor, we were an agricultural State. Now the majority are in industry today. We have to find technical training and skills, but we think highly of agriculture. So do not think we do not know about agriculture and jobs and wheat. We want to sell it, too, but we have to have a balanced approach to try to maintain America's industrial backbone.

So I appreciate the position of the distinguished Senator from Iowa tonight, and I hope he will give me a little bit more notice next time, because I thought once the distinguished Senator from Kansas, the former majority leader, had left us, that that was one problem solved and we could go on and get some other things done.

But I can tell you now why that passed before with all of those. We had fast track, no amendments, limited time. When your amendment comes, we will not have fast track, we will have amendments, and we will have unlimited time, and my distinguished senior Senator has set the pace for unlimited time and debate. I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

PROVIDING FOR AN ADJOURNMENT OF THE TWO HOUSES

Mr. THURMOND. Madam President, I ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 192, the adjournment resolution, which was just received from the House; further, that the resolution be agreed to and the motion to reconsider be laid upon the table.

Mr. FORD. Madam President, reserving the right to object, I understand that this is the adjournment resolution; that the House is anxious to get out, and that is fine. But this resolution allows us to get out Thursday night, Friday night, Saturday night or Sunday night and then come back on July 8 sometime after noon, based on the time set out by the majority leader later in the day?

The PRESIDING OFFICER. That is correct.

Mr. THURMOND. Madam President, it is my understanding, this will give us enough time to finish this bill.

Mr. FORD. Through Sunday. I thank the Chair.

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

The concurrent resolution (H. Con. Res. 192) was agreed to, as follows:

H. CON. RES. 192

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative days of Thursday, June 27, 1996, or Friday, June 28, 1996, pursuant to a motion made by the Majority Leader or his designee, it stand adjourned until noon on Monday, July 8, 1996, or until noon on the second day after members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, June 27, 1996, Friday, June 28, 1996, Saturday, June 29, 1996, or Sunday, June 30, 1996, pursuant to a motion made by the Majority Leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Monday, July 8, 1996 or

until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. THURMOND. Madam President, I yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. BRYAN. I thank the Chair. May I inquire of the Chair as to the parliamentary state of affairs on the floor? What is the pending amendment?

The PRESIDING OFFICER. The pending amendment is the amendment by Senator COHEN from Maine.

Mr. BRYAN. I thank the Chair.

AMENDMENT NO. 4371 TO AMENDMENT NO. 4369

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for himself and Mr. REID, proposes an amendment numbered 4371 to amendment No. 4369.

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

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

The amendment is as follows:

In the table in subsection (b), delete the entry relating to titanium sponge.

Mr. BRYAN. If it is not clear, I ask unanimous consent that Senator REID be made a cosponsor of that amendment.

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

Mr. BRYAN. Madam President, I do not know whether we are going to be debating this extensively this evening, but the underlying amendment seeks, as an offset, to compel the sale of certain minerals in the strategic reserve, one of which would have a profound impact on a very important industry in my own State. The issue is titanium, titanium sponge.

My colleagues may not be familiar with this, but upon the implosion of the Soviet Union into its various respective states, massive amounts of titanium sponge, a part of the Soviet reserve, were dumped on the international market, depressing the price of titanium to the extent that the domestic titanium industry nearly went under. That occurred in 1991.

Over the past 4 or 5 years, it has been a struggle just to survive. Senator REID and I have been informed that this year is kind of a turnaround year; that is to say, they have begun to, from a financial perspective, surface above the water line, and the concern that I have is that with the authorized disposition of the strategic reserve, including titanium sponge, we might lose a very important domestic industry, one that is critical to our national defense as well.

So it is on that basis that the second-degree amendment that Senator REID and I have offered would delete titanium sponge from the list of strategic materials that Senator COHEN has provided as an offset to finance the recoupment provisions in the underlying amendment.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Madam President, the titanium metals is located in a place called Henderson, NV. Henderson, NV, is a town that was developed during the Second World War. It was built for no other purpose than to supply essential war products to the allied war efforts. It was Nevada's industrial center and, in fact, still is.

Madam President, after World War II ended, this facility started building other things, doing other things than what was done during the Second World War. With the advent of jet engines, one of the things they needed was titanium metal.

As a result of that, Henderson, NV, became one of the two places in the United States that manufactures this essential product. It is important that manufacturing of this product continue. It is important that there be a stockpile of this material, because in case of an international crisis, the country would be simply without products that are essential to our national security.

Hundreds of employees are affected as a result of this amendment by our friend from the State of Maine. There are only, to my knowledge, two operations in the United States that manufacture titanium sponge. The largest manufacturer is in Henderson, NV.

Madam President, if in fact this underlying amendment passes, hundreds of people would be laid off. And not only would hundreds of people be laid off, but the United States would not be in a position to be ready in case of international crisis.

The amendment says that:

The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of usual markets of producers, processors, and consumers of the materials proposed for disposal. . .

Madam President, this amendment is being offered as an offset. Because of the amendment we passed last year, what is beginning to happen around here, because of all the cuts that have been made, is that we are beginning to scavenger anything that is in existence.

To show how desperate we are for offsets, we are now going to cannibalize the stock piles of essential minerals and metals that we have in the United States. I think it is simply wrong. I hope that this second-degree amendment will pass. It is important, Madam President, that we eliminate titanium sponge from this amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. If I could just respond very briefly. I know the Senator from Nevada is concerned about the potential consequences of any amendment to his State. But I point out that the amendment provides, specifically on page 2 of the amendment, that ''The President may not dispose''—may not dispose—''of materials under subsection (a) to the extent that the disposal will result in—(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or (2) avoidable loss to the United States.''

Second, we have a factsheet submitted by the Department of Defense.

Madam President, I ask unanimous consent that that be printed in the RECORD.

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

DOD FACT SHEET—TITANIUM SPONGE

Reported consumption for 1995 was estimated by the Bureau Mines to be 21,000 metric tons (23,100 short tons).

Domestic production is running at 80 to 85 percent of capacity. However, Johnson Matthey is installing a titanium sponge facility in Salt Lake City, Utah. They have told DNSC officials that they would prefer the Stockpile to sell material into the market during the early part of 1996 while their facility is being brought on line. Thereafter, they would hope to see DNSC not sell titanium sponge at all.

Considering the state of the domestic production (U.S. sponge producers have sold out their production, forcing titanium metal producers to go offshore for sponge) this would be an ideal time to enter the market with the Stockpile sponge. Market growth has been in the commercial aerospace applications, demand for titanium-shafted golf clubs and tubing for energy applications. RMI Titanium Co. (U.S. producer of titanium metal) recently increased its metal prices by 5 percent. RMI indicated that the reason for the increase has been the tightening of supply, demand exceeding the supply and a bid to increase the profit margin. The published price for domestic sponge has been consistent at $4.40 per pound ($8,800 per short ton) since October 12, 1995.

The Market Impact Committee has not been asked to comment on possible sales of titanium sponge in fiscal year 1996 and fiscal year 1997.

P.L. 104–106 February 10, 1996, Sec. 3305 requires the Secretary of Defense to transfer up to 250 short tons of titanium sponge to the Secretary of the Army during each of the fiscal years 1996 to 2003 for the main battle

tank upgrade program. Maximum total transfer will equal 2,000 short tons.

Mr. COHEN. Madam President, I will cite it here.

Considering the state of the domestic production (U.S. sponge producers have sold out their production, forcing titanium metal producers to go offshore for sponge) this would be an ideal time to enter the market with the Stockpile sponge.

Madam President, I am doing this at the request of the administration. They are saying they are going to veto this measure unless we include this provision. So I am trying to act in a bipartisan fashion saying: The administration wants this. I want it. It makes good sense for our producers of military equipment. The Department of Defense wants it.

It seems to me that the language is written as such that it would not pose the kind of job loss that the Senator from Nevada has indicated. As a matter of fact, according to DOD, this is the precise time that we ought to enter the market for stockpile sponges.

So, Madam President, I hope that we will vote against the elimination of the titanium from my amendment and approve the amendment as I have drafted it. I ask for the yeas and nays on the underlying amendment.

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment.

Mr. COHEN. I suggest the absence of a quorum.

Mr. BRYAN. Before the Senator from Maine would be prepared to yield, the Senators from Nevada appreciate the Senator from Maine operating in a bipartisan fashion, but the concern that we have with this amendment surfaces on the floor at nearly 2200 hours eastern daylight time. We get an emergency call expressing concern from an industry that is vital, not only, in my view, to our national defense, but to a community that my senior colleague and I represent.

We are also informed that the amount of the offset that the Senator from Maine needs to accomplish his objective is something in the neighborhood of $440 million. I will yield to him if he seeks to correct those numbers that we have been provided with.

In point of fact, by having all the materials in the strategic reserve made available in the market, they actually generate more money than the Senator has required for the offset. We want to work with the Senator, but I do not believe we can feel comfortable that there will not in fact be an impact upon an industry which is of critical importance to our State. And I share the concern with the Senator, my friend, from Maine.

Mr. COHEN. Madam President, just for the record, this amendment was filed yesterday. It is not a last-moment initiative on my part. We do need to move forward if we are going to have any chance of completing action on this bill. 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. BRYAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 4371, WITHDRAWN

Mr. BRYAN. Madam President, at this time, I would like to withdraw my second-degree amendment.

The PRESIDING OFFICER. The Senator has that right.

The amendment is withdrawn.

Mr. BRYAN. I thank the Chair.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

AMENDMENT NO. 4369, AS MODIFIED

Mr. COHEN. Madam President, I have a modification of my original amendment, which will add a new subsection that would satisfy the interests of the Senators from Nevada.

The PRESIDING OFFICER. The Senator has the right to modify his amendment, and the amended will be so modified.

The amendment (No. 4369), as modified, is as follows:

At the end of title XXXIII, add the following:

SEC. 3303. ADDITIONAL AUTHORITY TO DISPOSE OF MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in amounts equal to—

(1) $110,000,000 during the five-fiscal year period ending September 30, 2001;

(2) $260,000,000 during the seven-fiscal year period ending September 30, 2003; and

(3) $440,000,000 during the nine-fiscal year period ending September 30, 2005.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

AUTHORIZED STOCKPILE DISPOSALS

Material for disposal	Quantity
Chrome Metal, Electrolytic	8,471 short tons
Cobalt	9,902,774 pounds
Columbium Carbide	21,372 pounds
Columbium Ferro	249,395 pounds
Diamond, Bort	91,542 carats
Diamond, Stone	3,029,413 carats
Germanium	28,207 kilograms
Indium	15,205 troy ounces
Palladium	1,249,601 troy ounces
Platinum	442,641 troy ounces
Rubber	567 long tons
Tantalum, Carbide Powder	22,688 pounds contained
Tantalum, Minerals	1,748,947 pounds contained
Tantalum, Oxide	123,691 pounds contained
Titanium Sponge	36,830 short tons
Tungsten	76,358,235 pounds
Tungsten, Carbide	2,032,942 pounds
Tungsten, Metal Powder	1,181,921 pounds
Tungsten, Ferro	2,024,143 pounds

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—(1) Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be deposited into the general fund of the Treasury and used to offset the revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658).

(2) This section shall be treated as qualifying offsetting legislation for purposes of subsection (b) of such section 4303.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(f) DEFINITION.—The term ''National Defense Stockpile'' means the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(g) ADDITIONAL LIMITATION.—Of the amounts listed in the table in subsection (b), titanium sponge may be sold only to the extent necessary to attain the level of receipts specified in subsection (a), after taking into account the estimated receipts from the other materials in such table.

Mr. COHEN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. COHEN. Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Maine. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Oregon [Mr. HATFIELD], and the Senator from Oklahoma [Mr. INHOFE] are necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS], the Senator from Nebraska [Mr. EXON], the Senator from California [Mrs. FEINSTEIN], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The result was announced—yeas 74, nays 18, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—74

Abraham	Bryan	Coverdell
Ashcroft	Burns	Craig
Baucus	Byrd	D'Amato
Bennett	Campbell	Daschle
Biden	Coats	DeWine
Bond	Cohen	Dodd
Breaux	Conrad	Domenici

Faircloth	Kempthorne	Pell
Ford	Kerrey	Pressler
Frahm	Kerry	Reid
Frist	Kohl	Robb
Gorton	Kyl	Rockefeller
Gramm	Levin	Roth
Grams	Lieberman	Santorum
Grassley	Lott	Shelby
Gregg	Lugar	Simpson
Hatch	Mack	Smith
Heflin	McConnell	Snowe
Helms	Mikulski	Specter
Hollings	Moseley-Braun	Stevens
Hutchison	Moynihan	Thomas
Inouye	Murkowski	Thompson
Jeffords	Murray	Thurmond
Johnston	Nickles	Warner
Kassebaum	Nunn	

NAYS—18

Akaka	Feingold	Leahy
Bingaman	Glenn	McCain
Boxer	Graham	Sarbanes
Bradley	Harkin	Simon
Brown	Kennedy	Wellstone
Dorgan	Lautenberg	Wyden

NOT VOTING—8

Bumpers	Exon	Inhofe
Chafee	Feinstein	Pryor
Cochran	Hatfield	

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Maine.

Mr. COHEN. I ask unanimous consent Senator LIEBERMAN be added as a cosponsor of the amendment.

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

Mr. STEVENS. Mr. President, I have discussed with my friend, Senator THURMOND, the issue of shipboard solid waste discharges and the Navy's ability to comply with the Act to Prevent Pollution from Ships [APPS] and Annex V of the International Convention for the Prevention of Pollution on Ships [MARPOL]. After thoroughly studying the operational and environmental impacts, the Navy has identified the use of paper/cardboard pulpers and metal/glass shredders as the preferred technology for full compliance with MARPOL, at a fleet-wide cost of about $300 million. Conversely, full compliance with the APPS would involve the use of technologies that would significantly degrade operations and result in a fleet-wide cost of about $1.1 billion. Therefore, it is evident that additional legislative guidance is necessary to ensure that U.S. strictures allow for the use of developed technologies that are environmentally sound, operationally feasible, and affordable. As a result, I have introduced S. 1728, which amends section 1902(c) of the APPS by allowing the Navy to use pulpers and shredders to dispose of non-plastic and non-floating solid waste. Senator THURMOND, I am aware that you and I have similar concerns related to this issue.

Mr. THURMOND. Let me assure my friend that I am aware of this issue and agree that a legislative solution is necessary. It is clear that the Navy's use of pulpers and shredders provides the best available means of balancing the competing interests associated with environmental protection, shipboard quality of life, operational capability, and cost effectiveness. As chairman of the Senate Armed Services Committee, I feel that compliance with U.S. and international laws must, as a matter of national security, take into consideration the impacts on mission effectiveness and operational flexibility. Navy ships are self-contained units with severe limits on space, weight, and the ability to power onboard equipment. In short, these ships are designed to maximize mission performance for the preservation of our national security. Based on an administration request and the Navy's expressed operational needs, I have included a provision in the National Defense Authorization Act for fiscal year 1997 that is similar to S. 1728. I say to the Senator from Alaska, I would propose that we use the National Defense Authorization Act as a vehicle for this legislative provision.

Mr. STEVENS. I agree that the National Defense Authorization Act for fiscal year 1997 is an appropriate vehicle for this legislative proposal. Accordingly, I will support your efforts to include such a provision in your bill.

Mr. THURMOND. I want to express my deep appreciation for the Senator's interest and support on this issue. It is my hope that we may continue to work together in such matters.

TELEMEDICINE

Mr. SANTORUM. Mr. President, as the Chairman knows, the Senate Appropriations Committee has provided $20 million in the fiscal year 97 Department of Defense Appropriations bill in the area of telemedicine.

The Armed Services Committee, under the strong leadership of Senator THURMOND, has for several years recognized the importance of military research, development, and implementation of telemedicine. It has also given value to the idea of working in partnership with non-governmental entities in this area.

My own home State of Pennsylvania has a strong interest in this area and is developing several new and exciting programs to assist our military health care capabilities. I encourage the distinguished chairman of the Armed Services Committee to closely examine these new technologies and look forward to his continued involvement in this area.

Mr. THURMOND. I thank the Senator from Pennsylvania for his interest and dedication to this important breakthrough in military health care and I look forward to working with him and our counterparts on the Appropriations Committee on these efforts.

AMENDMENT NO. 4349

Mr. KEMPTHORNE. Mr. President, I rise in support of the amendment offered by the Senators from Georgia, New Mexico, and Indiana to authorize funding for an emergency assistance program to train and equip State and local emergency personnel to respond to domestic terrorist WMD incidents.

The amendment also authorizes increases in the Defense and Energy budgets for assistance to Russia and all the Independent States of the former Soviet Union under the cooperative threat reduction programs.

I have concerns about authorizing new activities in both of these departments. I don't question the goals of the sponsors of this amendment. However, authorizing increases of this nature as well as expanding the scope of these two programs has not been discussed in our committee.

The committee has received no information on the budgetary impact of this amendment. Additionally, conferencing this provision with the House will no doubt be extremely contentious. As it was last year.

As other members have done, I will emphasize that there are no appropriations for these activities in either of the defense appropriations bill. Of course, we have not yet received the energy appropriations bill.

I have concerns about the transfer authority in the amendment, and the potential impact on programs in the defense bill, as well as programs in the defense portion of the energy bill.

The amendment includes authority for the Department of Defense to provide assistance to the Department of Justice. I have concerns about Posse Comitatus implications of this provision. This was the same provision in the Senate's anti-terrorist bill, which was eventually dropped in conference because of those concerns.

I would mention that I have concerns about increasing assistance to Russia, when they continue to conduct research and development on ballistic missiles and in building submarines. Additionally, I do have concerns about Russia's recalcitrance on the issue regarding their transfer of knowledge, training and material to Iran, to help them build their nuclear reactors, as well as to China.

Additionally, Russia continues to refuse to provide information on its biological research activities, as well as its chemical research activities on binary weapons, which we all have been informed on by the former Russian scientist Vil Miransaynov.

The authority to conduct these programs are not small commitments. I understand from DOE that the potential cost for replacing the reactor cores at Tomsk 7 and Krasnoyarsk 26 is around $100 million. And that is just an estimate.

What is the cost of converting biological and chemical production facilities in all the independent states of the Former Soviet Union?

What impact would ratifying a Chemical Weapons Convention have on this authority? While the Bilateral Destruction Agreement would have allowed the conversion of chemical facilities, the CWC prohibits the conversion of the chemical facilities for nondefense purposes.

I support the efforts of, and want to work with, my colleagues on establishing a program to assist State and local communities in responding to terrorist use of WMD. But I must emphasize my concerns about increasing funds for the cooperative threat reduction programs in the DOD and DOE budgets.

TRITIUM PRODUCTION

Mr. SMITH. Mr. President, I rise today to express some strong concerns that I have regarding this country's ability to produce and maintain our vital supply of tritium. I am deeply concerned that the administration is proceeding down a costly and uncertain path, and that we are failing to take necessary action to protect our national security interests.

Mr. President, tritium is a man-made radioactive isotope of hydrogen. It has a half-life of about 12 years and decays at a rate of about 5.5 percent per year. It is essentially the ''booster'' that gives a nuclear weapon much of its explosive power. Even though the cold war is over, the United States still requires a downsized nuclear deterrent to ensure our security from continuing threats, including those from emerging Third World nations with nuclear capabilities and a demonstrated willingness to use terrorist tactics to achieve their national objectives.

With regard to the tritium production decision, Secretary Hazel O'Leary and now this Congress are about to travel down a path with far-reaching implications for both national security and U.S. taxpayers' pocketbooks over the next half century. In October 1995, Secretary O'Leary announced a dual-track approach of more studies for meeting future tritium requirements for the next 3 years. According to the legislation before us, we are authorizing $160 million in fiscal year 1997 for tritium production studies. According to the legislation, approximately 90 percent will go to Los Alamos National Laboratory's linear accelerator research project. The remaining 10 percent of the $160 million will go toward continued research for use of an existing nuclear reactor to produce tritium.

With regard to the linear accelerator for tritium production, the Department of Energy's last attempt at building a new accelerator was the superconducting super collider—now an empty ditch full of rusting equipment and shattered dreams, sitting idle on the plains of Texas. Like the accelerator that the DOE wants to build, the Department started out with an estimate of only a few billion dollars to build the super collider. However, after several years and billions of dollars of taxpayer money, the project began running behind schedule and the cost estimates began to balloon out of control. Finally in 1992, when the cost estimate had grown to more than $11 billion, Congress said ''enough is enough'' and pulled the plug on the collider program.

Now the DOE proposes to start a new accelerator research project, using the Nation's need for tritium as the excuse. Although the project is being justified by national security needs, scientists at DOE's national laboratories are lining up to propose new research programs for which the accelerator can be used.

Mr. President, the Department of Energy has a poor track record of starting large projects and then helplessly watching the costs and schedule expand out of control. Virtually every major project ever started by DOE has been terminated during construction or before beginning any useful operation. Besides the money wasted on the Super Collider, there was the Clinch River Breeder Reactor, the Fast Flux Test Facility, upgrades to the K-Reactors, et cetera, et cetera. Each of these were multibillion-dollar projects.

Recently, the Department provided a forecast of the funds required to fulfill the tritium mission during the research, development, and proposed construction phases. According to the chart, the Department plans on spending $4.863 billion on the accelerator and an additional $535 million on civilian light water reactor research. Mr. President, over the next several years, we are going to ask the taxpayers to foot a bill of over $5 billion for tritium production and that is simply to get the program up and running. That does not include the several billion dollars it will take in annual operation and maintenance. Indeed, according to the Department's own estimates, the accelerator could cost taxpayers in excess of $20 billion over its lifetime.

Mr. President, I ask unanimous consent that the ''Tritium Production Budget Forecast'' be printed in the RECORD. Obviously, it is clear that when President Clinton commented during his State of the Union speech that ''the era of big government is over.'' He forgot about this project.

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

TRITIUM PRODUCTION BUDGET FORECAST—1996–1997

[In millions]

Year	APT funding	CLWR
1996	$45	$5
1997	85	15
1998	255	37
1999	276	44
2000	282	69
2001	496	78
2002	739	108
2003	903	120
2004	901	36
2005	431	23
2006	228	0
2007	221	0
Total	4863	535

Notes.—Taken from presentation by Bill Bishop, DOE, to Aiken/Augusta Chambers of Commerce, May 2, 1996.

Mr. SMITH. Mr. President, I must ask my colleagues: Is this the direction we should go? We are putting a great deal of trust in an undeveloped technology for such a critical national security mission. I certainly cannot predict the future, but I am 100 percent at predicting the past. I cannot say with any degree of certainty that the accelerator technology—for which we are authorizing over $140 million in spending in fiscal year 1997—will or will not work. However, I can say with confidence that the Department of Energy has demonstrated a very poor record in managing other large initiatives. Furthermore, the American people have never been enthusiastic about paying for these types of large projects. When costs begin to escalate, what makes us think they will support this risky project in the future?

Unfortunately, Mr. President, I fear that the administration, and now this Congress, may be overlooking the most reasonable approach to performing the tritium mission; that being, a new nuclear reactor that could produce tritium, while generating electricity for use in the surrounding area of the country. Since this type of new reactor project would earn revenue from the electricity sales, it could be privatized and, thus, its construction could be paid for largely through private funds—not by the taxpayers. In fact, Department of Energy studies show the new reactor option to be billions of dollars less expensive than the accelerator. Indeed, industry critics say that the cost gap between the accelerator and reactor options is even larger than the numbers in DOE's studies—more like $10 to $15 billion over the project's lifetime.

Mr. President, I doubt this issue will receive any more debate or discussion than what I have raised today. I know that my colleague from Arizona, Senator KYL, has been an outspoken critic of the Department of Energy's handling of the tritium decision. I commend my friend from Arizona for his continuing interest in this matter, and his steadfast support for maintaining a safe, reliable, and effective nuclear deterrent.

While this issue may go largely unnoticed this year, I am forewarning my colleagues that we are likely to debate in the future this Government's exorbitant spending on the accelerator and how research and development is taking much longer than previously anticipated—at the same time that our tritium stockpile comes perilously close to depletion. Meanwhile, a technology available today that can be privately financed is apparently being shunned.

Considering all of the painful budget cuts confronting us in the years ahead, and the critical need for tritium, I cannot understand how this body would allow the Energy Department to initiate another big ticket accelerator research project, particularly when its overall cost and performance are seriously in question. In my view, we should be exploring other possible alternatives, particularly those that are less expensive and more reliable, to satisfy this key national security requirement.

ENVIRONMENTAL MANAGEMENT HEADQUARTERS, PROGRAM DIRECTION SUBACCOUNT

Mr. SARBANES. Mr. President, I rise today regarding the Department of Energy's Environmental Management Headquarters' Program Direction subaccount which is funded under the fiscal year 1997 DOD authorization.

The House passed version of the fiscal 1997 Defense authorization cuts the Environmental Management Headquarters' Program Direction subaccount by $71 million. This office under the EM program boasts some of DOE's most technically savvy, highly trained employees—each of whom provide critical oversight for our Nation's extensive Defense Nuclear Safety and Waste Management initiatives. It is my understanding that the House's reduction in this subaccount was made precipitously—without hearings or any other discussion of its long-term impact on the Department's ability to administer such an essential function. The Senate version of the DOD authorization retains funding for this important function and I urge my colleagues on the Armed Services Committee to work to ensure that funding for the Environmental Management Headquarters' Program Direction subaccount will be upheld at the Senate level when the fiscal year 1997 Defense authorization is taken up in conference.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senate will come to order. The majority leader is recognized.

Mr. LOTT. Mr. President, I ask unanimous consent the cloture vote scheduled to occur today now occur at 9:30 a.m. on Friday, June 28.

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

Mr. LOTT. For the information of all Senators, a third attempt to vote cloture on this DOD authorization bill will occur in the morning at 9:30 as just announced.

Immediately following that vote, regardless of outcome, it will be my intention to propound a unanimous-consent agreement limiting the remaining amendments to the bill. We will be meeting after this announcement with the distinguished Democratic leader to go over the list of amendments. Also to see if we have been able to work out an agreement on a number of other items that have been delaying final movement. We are asking once again all Senators to cooperate. Please do not come up with amendments that do not relate directly to the defense bill.

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 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. 1745, the Department of Defense Authorization bill:

Trent Lott, Phil. Gramm, Larry E. Craig, Conrad Burns, Arlen Specter, Dan Coats, Connie Mack, Chuck Grassley, Craig Thomas, Bill Cohen, Jon Kyl, Strom Thurmond, Rick Santorum, C.S. Bond, Bob Smith, Judd Gregg.

Mr. LOTT. For the information of all Senators, this cloture vote, if necessary, would occur on Saturday. It is my sincere hope the Senate will have taken this bill to third reading long before Saturday, however we may not be able to get it done. But if we get this unanimous-consent agreement worked out that we are working on, and I think we are getting close, if we can get the list of amendments agreed to in the morning, then we can move them forward and I think we can get to third reading tomorrow.

But as for now, that is the last vote of tonight.

I yield the floor.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

AMENDMENT NO. 4372

(Purpose: To require a study of ship self-defense options for the ''Cyclone'' class patrol craft)

Mr. McCAIN. Madam President, on behalf of Senators WARNER and SMITH, I offer an amendment that would require a study of ship self-defense options for the ''Cyclone'' class patrol craft. I believe this amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona (Mr. McCain), for Mr. WARNER, for himself, and Mr. SMITH, proposes an amendment numbered 4372.

The amendment is as follows:

At the end of subtitle B of title II add the following:

SEC. 223. CYCLONE CLASS CRAFT SELF-DEFENSE.

(a) STUDY REQUIRED.—Not later than March 31, 1997, the Secretary of Defense shall—

(1) carry out a study of vessel self-defense options for the Cyclone class patrol craft; and

(2) submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the study.

(b) SOCOM INVOLVEMENT.—The Secretary shall carry out the study through the Commander of the Special Operations Command.

(c) SPECIFIC SYSTEM TO BE EVALUATED.—The study under subsection (a) shall include an evaluation of the BARAK ship self-defense missile system.

Mr. LEVIN. Madam President, this amendment has been cleared on this side. We have no objection to it.

Mr. McCAIN. I urge the Senate to adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4372) was agreed to.

Mr. McCAIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRIVILEGE OF THE FLOOR

Mr. LEVIN. Madam President, could I interrupt for just a moment to ask unanimous consent that the privileges of the floor be extended to Max H. Della Pia in the Air Force Reserve, a Fellow in my office, during the pendency of this bill.

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

AMENDMENT NO. 4373

(Purpose: To place a condition on authority of the Secretary of the Navy to dispose of certain tugboats to the Northeast Wisconsin Railroad Transportation Commission)

Mr. LEVIN. Madam President, on behalf of Senator GLENN and Senator ABRAHAM, I offer an amendment that would place a condition on the authority of the Secretary of the Navy to transfer tugboats to the Northeast Wisconsin Railroad Transportation Commission.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN), for Mr. GLENN, for himself, Mr. ABRAHAM, and Mr. LEVIN, proposes an amendment numbered 4373.

The amendment is as follows:

In section 1022(a), strike out ''. Such transfers'' and insert in lieu thereof '', if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.). A transfer made under the preceding sentence''.

Mr. LEVIN. Madam President, this amendment would reinstate the normal GSA review of the disposal.

I ask unanimous consent that I be added as a cosponsor.

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

Mr. McCAIN. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4373) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4374

(Purpose: To clarify the definition of the term ''national security system'' for purposes of the Information Technology Management Reform Act of 1996)

Mr. McCAIN. Madam President, on behalf of Senator COHEN, I offer an

amendment which would clarify the definition of ''national security systems'' under the Information Technology Management Reform Act of 1996.

I believe this amendment has been cleared by the other side.

Mr. LEVIN. Madam President, this amendment has been cleared.

Mr. McCAIN. Madam President, I urge that the Senate adopt this amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona (Mr. MCCAIN), for Mr. COHEN, proposes an amendment numbered 4374.

The amendment is as follows:

At the end of subtitle F of title X add the following:

SEC. 1072. CLARIFICATION OF NATIONAL SECURITY SYSTEMS TO WHICH THE INFORMATION TECHNOLOGY MANAGEMENT REFORM ACT OF 1996 APPLIES.

Section 5142(b) of the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 689; 40 U.S.C. 1452(b)) is amended—

(1) by striking out ''(b) LIMITATION.—'' and inserting in lieu thereof ''(b) LIMITATIONS.—(1)''; and

(2) by adding at the end the following:

''(2) Notwithstanding any other provision of this section or any other provision of law, for the purposes of this subtitle, a system that, in function, operation, or use, involves the storage, processing, or forwarding of classified information and is protected at all times by procedures established for the handling of classified information shall be considered as a national security system under the definition in subsection (a) only if the function, operation, or use of the system—

''(A) involves activities described in paragraph (1), (2), or (3) of subsection (a);

''(B) involves equipment described in paragraph (4) of subsection (a); or

''(C) is critical to an objective described in paragraph (5) of subsection (a) and is not excluded by paragraph (1) of this subsection.''.

Mr. COHEN. Madam President, the amendment I am offering today is designed to maintain the integrity of the national security systems definition of the Information Technology Management Reform Act [ITMRA] of 1996. This act lays the foundation for real information management reform not only at the Department of Defense but at all government agencies.

The need for this amendment is to make clear that the Senate does not wish to see any significant policy changes to the ITMRA until there has been some time to assess progress in the implementation of the act. The national security systems language in the ITMRA represents a delicate compromise between Congress, DOD, and the intelligence community. But, even before the law becomes effective the House was asked to include a significant change to the ITMRA on the House-passed version of the DOD authorization bill. The House provision undermines the compromise reached last year and would have the effect of limiting oversight for a new class of information systems. The administration in its Statement of Administrative Policy opposes the House-passed provision, and I look forward to the administration's continued support for maintaining the integrity of the ITMRA in conference.

The ITMRA was based on compromise. Like most compromises, it probably will not satisfy everyone with an interest in information management issues. The ITMRA is a significant step in establishing the oversight criteria by which all information systems including national security systems will be judged. This criteria will be used by OMB, agency heads, the inspectors-general, GAO, and the Congress in holding agency officials accountable for obtaining a positive return for the taxpayers on the more than $50 billion annual Government investment in information systems. It is important to know whether we are getting our money's worth on information technology investments including, for example, the systems that process classified imagery, the software that guides a precision-guided munition to its target, the computers that control our Nation's air traffic control system, and the long distance phone bill for Federal employees in Portland, ME.

The ITMRA would accomplish meaningful reform, in part, by emphasizing up-front capital planning and the establishment of clear performance goals and investment criteria designed to improve agency operations. Once the up-front planning is complete and the performance goals are established, the procurement reforms that Congress has enacted in the last 2 years would make it simpler and faster for agencies to purchase information technology.

This management criteria applies to all systems in the Government including national security systems. Yet we have not emerged from the old Brooks Act paradigm. During the negotiations over the ITMRA, I reluctantly agreed to maintain the status quo and keep the old Brook Act national security systems definition and exemptions. But one must really ask what these systems are really exempted from? It is not from OMB oversight as OMB already has that authority in the budget process. This authority was reaffirmed in the ITMRA as Congress explicitly directed the Director of OMB to enforce accountability for sound information resources management through the budget process for all information technology including national security systems.

The Brooks Act exemptions were originally passed to exclude some DOD and intelligence systems for the procurement authority of the Administrator of the General Services Administration. It was never intended to exempt DOD and the CIA from implementing sound management practices. ITMRA frees all agencies from GSA oversight in exchange for adhering to the sound business-tested methods of capital planning, establishing investment controls, measuring performance, benchmarking, and enforcing accountability. Thus, there was never any compelling reason for keeping the Brooks Act exemption language as the ITMRA eliminated the original reason for the exemption.

The Congress did believe, however, that national security systems should be given some greater flexibility in implementing the ITMRA and agreed to keep a national security systems definition and classification. Systems classified as national security systems are exempt from select portions of the act. It perhaps can be argued that with recent problems with classified financial systems and information management at the National Reconnaissance Office, the serious cost overruns derived from poor software management in many major weapons systems, and the lack of interoperability among our command, control, communications systems that the ITMRA national security systems exemption are too broad. This is probably the case, and I considered offering an amendment to eliminate the national security systems exemption.

I have, however, decided not to pursue that amendment in order to see how the current system will work in practice. I will have to leave it to my successors to ascertain how well national security systems are conforming to the ITMRA and whether a more restricted exemption is necessary. In the coming years we will witness whether DOD is able to seize the opportunities generated from procurement and management reforms to provide cost-effective intelligence and information systems that effectively support our service men and women and maintain our technological advantage on the battlefield. I fear, however, if the culture does not change at DOD and the Pentagon continues to hide behind legalistic and metaphysical barriers to outside oversight, we will witness the continued development of shoddy systems that do not take advantage of the dynamic commercial marketplace and that will in time erode our national security in the information age.

Another of the more contentious issues in developing the ITMRA was how to treat the oversight of security standards in the Government. Recent hearings of the Permanent Subcommittee on Investigations reveal that information security is still a serious problem that needs to be addressed. In ITMRA, Congress attempted to maintain the status quo regarding the division of responsibilities over information security standards and oversight. Based on recent events, I have now come to the conclusion that the agencies responsible for information security are more concerned with turf battles and bureaucratic infighting than they are about securing vital Government information. I am convinced that Congress needs to readdress the Computer Security Act and its implementation, but I am also convinced that this bill is not the vehicle to address the issue.

In conclusion, the amendment I propose clarifies any ambiguity regarding the definition of national security systems, reaffirms the Senate's commitment to maintaining the application of the ITMRA, and directly counters the House provision. Unlike the amendment to the House bill, this amendment does not change the status quo with regard to information systems security and maintains the comprehensive applicability of ITMRA to classified systems that do not meet the national security systems definition.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4374) was agreed to.

Mr. MCCAIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4375

(Purpose: To require the Secretary of the Army to type classify the Electro Optic Augmentation [EOA] system)

Mr. LEVIN. Madam President, on behalf of Senators HEFLIN and SHELBY, I offer an amendment which I believe is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Mr. HEFLIN, for himself and Mr. SHELBY, proposes an amendment numbered 4375.

The amendment is as follows:

At the end of subtitle B of title I, add the following:

SEC. 113. TYPE CLASSIFICATION OF ELECTRO OPTIC AUGMENTATION (EOA) SYSTEM.

(a) REQUIREMENT.—The Secretary of the Army shall type classify the Electro Optic Augmentation (EOA) system.

(b) FUNDING.—Of the amounts authorized to be appropriated for the Army by this division, $100,000 shall be made available to the Armored Systems Modernization Program manager for the type classification required by subsection (a).

Mr. HEFLIN. Madam President, I rise to offer an amendment that would allow the Army to type classify the electro optic augmentation system. The Army spent millions of dollars to develop this hardware but, for the lack of less than $100,000, was unable to certify the final product.

I have been informed that elements of the Army wish to purchase this equipment, but cannot due to the lack of this final certification. As the use of the EOA will save the Army millions of maintenance dollars annually, I hope my colleagues will join me in supporting this legislation.

Mr. LEVIN. Madam President, this amendment would direct the Army to conduct the necessary administrative actions to allow the Army to buy a system to test some of its electro-optic devices on its tanks and other armored vehicles.

Mr. MCCAIN. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4375) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MCCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4376

(Purpose: To amend section 218 to require that the report on F–22 aircraft program costs include a comparison with an earlier estimate of costs)

Mr. MCCAIN. Madam President, on behalf of Senator GRASSLEY, I offer an amendment which requires a report on the F–22 aircraft program cost, including a comparison with an earlier estimate of costs.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. GRASSLEY, proposes an amendment numbered 4376.

The amendment is as follows:

At the end of section 218(a) add the following: ''The report shall include—

''(1) a comparison of—

''(A) the results of the review, with

''(B) the results of the last independent estimate of production costs of the program that was prepared by the Cost Analysis Improvement Group in July 1991; and

''(2) a description of any major changes in programmatic assumptions that have occurred since the estimate referred to in paragraph (1)(B) was made, including any major change in assumptions regarding the program schedule, the quantity of aircraft to be developed and acquired, and the annual rates of production, together with an assessment of the effects of such changes on the program.''.

INDEPENDENT COST ESTIMATE FOR F–22 AIRCRAFT

Mr. GRASSLEY. Madam President, I would like to express strong support for section 219 of the bill. This is an excellent provision. It just needs some fine tuning.

Section 218 calls for an independent cost estimate of the Air Force F–22 Fighter Program by March 30, 1997. The independent estimate is to be prepared by the Cost Analysis Improvement Group [CAIG]. The last CAIG report on the F–22 was done in 1991—5 years ago.

The CAIG has two missions: first, be a cost watchdog at the Pentagon; and second, develop independent cost estimates for major weapons systems. The CAIG's charter is embodied in a small piece of legislation—section 2434 of title 10 of the U.S. Code—developed, in part, by Senator NUNN.

Having honest and accurate cost estimates is the key to making smart decisions. Unfortunately, the CAIG's track record is dismal. Historically, it has underestimated actual costs by 25, 50, 75 or even 100 percent or more.

In a nutshell, this is the problem: The CAIG uses the notorious ''pass-through'' method of cost estimating. The CAIG relies on the estimates prepared by the contractors and the program offices. The CAIG massages their numbers. The CAIG adds 5 or 10 percent to the price tag—for safe measure. That's the CAIG's cover your fanny maneuver. Then the CAIG ''Chair,'' Mr. David McNicol, wages his magic wand and declares his estimates ''independent.''

The CAIG's highly educated staff acts like a high-priced conveyer belt for shoddy estimates. Keep in mind that the program offices and contractors like to low ball it. They want to get their program started—get the camel's nose under the tent, so to speak. Once they get the program rolling, then they gradually ratchet up the cost. That's dishonest.

This is one reason why we have the $150 billion plans/reality mismatch at the Pentagon.

This is not the kind of cost-estimating process envisioned in section 2434 of the law. The CAIG should develop its own estimate from the bottom up.

The original F–22 cost estimate is an excellent case in point. When the Defense Acquisition Board or DAB met in June and July 1991 to consider whether to move the F–22 into full-scale development, the CAIG presented a cost estimate. But it wasn't independent.

The CAIG presented a report to the DAB citing two estimates: the Program Office estimate of $110.2 billion; and the Air force estimate of $114 billion. This was for 750 aircraft in FY 1990 dollars. There was no independent CAIG estimate.

The CAIG's sole input consisted of a bunch of gross generalizations and lame caveats. For example, it warned of a ''high probability'' that development or EMD costs would exceed the $12.7 billion cited in the Air Force estimate because there was no allowance for ''unknown unknowns.''

How would the CAIG quantify an unknown unknown if it had one? And what about ''known knowns''?

I ask unanimous consent to have printed in the RECORD the June 1991 CAIG report on the F–22 report.

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

OFFICE OF THE
SECRETARY OF DEFENSE,
Washington, DC. June 21, 1991.

MEMORANDUM TO THE CHAIRMAN,
CONVENTIONAL SYSTEMS COMMITTEE

Subject: Initial CAIG Report on the Advanced Tactical Fighter (ATF).

This memorandum provides a preliminary statement of the main conclusions of our review of the Air Force program office and independent estimates of the costs of the ATF program.

Top lines of the program office estimate (POE) and the Air Force's Independent Cost Analysis (ICA) are shown below.

ATF COST ESTIMATES—MILESTONE II [750 Aircraft; fiscal year 1990; dollars in millions]

	Program Office estimate	Air Force ICA estimate	Delta (in percent)
DEM/VAL	3,808	3,847	+1.0

ATF COST ESTIMATES—MILESTONE II [750 Aircraft; fiscal year 1990; dollars in millions]—Continued

	Program Office estimate	Air Force ICA estimate	Delta (in percent)
EMD	11,620	12,730	+9.6
Production	[1] 48,845	49,621	+1.6
O&S	45,900	47,800	+4.1

[1] The POE production cost estimate for 648 F–22s is $43.5B (FY90$).

There are two major issues concerning the EMD estimate which we believe need to be addressed.

First, the program is not fully funded in the President's Budget. Our assessment of EMD costs is close to the ICA, and we recommend that the EMD program be funded to that level. The ICA is about $2.7B higher than the ATF EMD funding in the FY 1992 Amended President's Budget (APB). The following adjustments to ATF RDT&E in the APB are needed through FY97 to fund the Air Force ICA estimate: +62M FY91; −$179M FY92; +$22M FY93; +159M FY94; +430M FY93; +$892M FY96; and +$978M FY97.

Second, we believe that there is a high probability that the EMD program will require more than the $12.7B ICA estimate before EMD is completed. We do not say this out of any belief that the costing methods used by the Air Force are inappropriate, or that the Air Force estimate omits major elements of content that can be specifically identified at this time, neither of which is the case. Our point is simply that the EMD cost estimate for this tremendously complex and challenging airframe, engine, and avionics development program contains no specific provisions for ''unknown unknowns.''

In discussions of this topic with us, Air Force representatives have described their extensive risk reduction program which has:

Proved key aspects of the technology;

Achieved an exceptionally well established set of regulations;

Provided management tools giving unparalled insight into the evolution of the development program.

The force of these points, which we grant, is that the risks are not so large as they seem looking only at the scope of the program.

The Air Force also has argued that the engineering change order (ECO), award fee, and avionics software cost estimates constitute or, in the case of the software, include allowances for ''unknown unknowns.'' It is also relevant that the Air Force EMD estimate is above the contractor BAFO numbers. Some of the award fee funds surely will be used to reward the contractor, however, and a fair portion of the ECO allowance is likely to be consumed fixing normal developmental problems. Thus, the potential amount available for ''unknown unknowns'' is far smaller than the Air Force claims. Moreover, even if the full amount of the ECO and award fee lines, and the relevant part of the avionics software line could be counted, judged by historical experience that would not be a large enough allowance for ''unknown unknowns'' to provide reasonable confidence that the budget would not be exceeded before the end of the ATF EMD program.

Our view, in short, is that the ATF is an extremely complex and challenging, and in those respects risky, program, while the Air Force cost estimate contains at most very modest allowances for that risk.

The scale of the ATF program is suggested by the attached table. It appears to be by the largest tactical aircraft program the Department has ever undertaken.

Neither we nor the Air Force would claim that it is possible to identify perfectly the entire content of an EMD effort so large and complex as that of the ATF. Providing an allowance for the risk of the EMO program, then, would require funding for program content that has not been specifically identified. We recognize that some would argue that funding reserves for risk is bad practice, particularly for cost plus contracts. (And the ATF is the first large development program in nearly a decade for which a cost-plus contract will be used.) It seems clear, however, that the Department must either accept the Air Force estimate and be prepared to add funding later, or add funds now for yet-to-be-identified content changes.

The CAIG's crosscheck of the production estimate is about 10% higher than the POE and the ICA estimate, due to differences on composite manufacturing hours and on ratios of ancillary costs to manufacturing hours for composites.

We will provide a full CAIG report later.

DAVID L. MCNICOL,
Chairman, Cost Analysis Improvement Group.

Mr. GRASSLEY. Madam President, because of persistent complaints about its shoddy work on the F–22, the CAIG was forced back to the drawing board. In late July 1991—after the second DAB review, the CAIG produced an independent cost estimate of the F–22. This was an 80-page report with detailed supporting documentation. Very few people have actually seen it. It never went to the DAB.

Madam President, I don't have a copy of it, but I'm told its buried in a file someplace in the Pentagon. The Committee should see it.

The author of the 1991 CAIG reports on the F–22, Mr. David J. Gallagher, is still a member of the CAIG. He knows where the 80-page report is hidden. He knows where the F–22's skeletons are buried.

I would like to urge the Committee to give the CAIG strict guidance about using the July 1991 report as a reference or starting point for the new study. Otherwise, the Pentagon bureaucrats will invent some kind of rubber baseline. A rubber baseline would be a neat device for shielding the CAIG from accountability.

We need to make sure that the CAIG uses the proper and logical point of comparison for the F–22 cost estimate ordered by the Committee in section 218. If we don't insist on it, DOD will establish a phony baseline estimate. They will create a rubber baseline to hide F–22 cost growth.

I am sure DOD has already changed the F–22 baseline, so we can't follow the audit trail back to the 1991 estimate. The F–22 audit trail is probably already covered up.

The CAIG should be held accountable for the July 1991 F–22 cost estimate. How good was that estimate? Where are we today relative to that estimate? Have the major programmatic assumptions used in the July 1991 report changed? If so, how do these changes affect the total cost of the program?

I have developed a very minor, noncontroversial amendment. My amendment merely directs the CAIG to use the July 1991 report as the point of comparison for F–22 cost estimate ordered by the Committee. In addition, actual manufacturing cost data from the first development aircraft is becoming available. To the maximum extent possible, the CAIG should use that data in preparing its estimate of F–22 production costs.

The intent of my amendment is simple: Get the CAIG to do a good job this time. The F–22 is one of DOD's biggest programs, and it needs scrutiny and disciplined analysis. The last time around the CAIG hid in the weeds. I don't want to see that happen again.

The Committee staff has reviewed my amendment and indicated that it is acceptable.

Madam President, I would like to thank the Committee Chairman, Senator THURMOND, and the ranking minority member, Senator NUNN, for their leadership and support on this issue. I would also like to thank the responsible staff person, Mr. Steve Madey, for his advice and assistance.

Mr. MCCAIN. Madam President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. It has been cleared.

Mr. MCCAIN. I urge the Senate to adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4376) was agreed to.

Mr. MCCAIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4377

(Purpose: To provide funding for research and development relating to desalting technologies)

Mr. LEVIN. Madam President, I send an amendment to the desk on behalf of Senators SIMON, CONRAD, and myself.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN), Mr. SIMON, for himself, Mr. CONRAD, and Mr. LEVIN, proposes an amendment numbered 4377.

The amendment is as follows:

At the end of subtitle D of title II, add the following:

SEC. 243. DESALTING TECHNOLOGIES.

(a) FINDINGS.—CONGRESS MAKES THE FOLLOWING FINDINGS:

(1) Access to scarce fresh water is likely to be a cause of future military conflicts in the Middle East and has a direct impact on stability and security in the region.

(2) The Middle East is an area of vital and strategic importance to the United States.

(3) The United States has played a military role in the Middle East, most recently in the Persian Gulf War, and may likely be called upon again to deter aggression in the region.

(4) United States troops have used desalting technologies to guarantee the availability of fresh water in past deployments in the Middle East.

(5) Adequate, efficient, and cheap access to high-quality fresh water will be vital to maintaining their readiness and sustainability of United States troops, and those of our allies.

(b) SENSE OF SENATE.—It is the sense of the Senate that, as improved access to fresh water will be an important factor in helping prevent future conflicts in the Middle East, the United States should, in cooperation with its allies, promote and invest in technologies to reduce the costs of converting saline water into fresh water.

(c) FUNDING FOR RESEARCH AND DEVELOPMENT.—Of the amounts authorized to be appropriated by this title, the Secretary shall place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water into fresh water.

Mr. LEVIN. This amendment would encourage the Secretary of the Army to place greater emphasis on making funds available for research and development and to have efficient and economical processes and methods for converting saline water into fresh water.

Mr. CONRAD. Madam President, I rise today to express my support for an amendment to be offered by Senator SIMON to S. 1745, the Department of Defense fiscal year 1997 authorization bill. This amendment directs the Secretary to place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water into fresh water.

Madam President, access to scarce fresh water is important both nationally and internationally. As my colleague from Illinois has often pointed out, improved access to fresh water could be an important factor in the prevention of future conflicts in the Middle East. Further, the benefits derived from research into economical methods of desalination have applications in the United States and throughout the world. Converting the brackish water found in many watersheds into water that could be utilized for potable, agricultural, or industrial purposes would enhance our world's beleaguered water supply and would assist in the development of long-term water management plans.

It is my hope the Secretary will direct the funding authorized for research and development by this amendment toward several desalination technologies in an attempt to find a versatile, economical, and effective method for converting saline water to fresh water. For example, the Energy and Environmental Research Center [EERC], located at the University of North Dakota, has been conducting research into the freeze-thaw evaporation method of separating salts and other contaminants from water. In fact, EERC successfully demonstrated this technology on oil production water in New Mexico and is attempting to demonstrate the effectiveness of this technology on a larger scale in a brackish watershed in North Dakota.

Technologies that appear to hold much promise for converting brackish water into water that can be utilized for potable and other purposes, such as freeze/thaw evaporation, merit further research and development. I urge my colleagues to support this amendment.

Mr. SIMON. Madam President, the Department of Defense currently conducts desalting research at the U.S. Army Tank-Automotive RD&E Center in Warren, MI. I have introduced an amendment to authorize additional funding for this research.

Desalting technology is critical to our military. Naval troops, of course, depend on desalting facilities to produce fresh water on ships. In addition, ground troops have relied on desalting technologies to guarantee the availability of potable water in the Middle East and around the world. Adequate, efficient, and cheap access to high-duality fresh water will be vital to maintaining the readiness and sustainability of those troops, and those of our allies.

My amendment is very simple. It expresses the sense of the Senate that improved access to fresh water will be an important factor in helping prevent future conflicts in the Middle East, and that the United States and its allies should promote and invest in technologies to reduce the costs of desalination. In addition, my amendment stipulates that the Secretary shall place greater emphasis on making funds available for research and development in this area.

Madam President, this may not seem like an issue that would be a priority for a Senator from Illinois. But it affects all of us, and it affects the future stability of the world. With the end of the cold war and the fear of nuclear annihilation significantly reduced, the next military conflict will not likely be over territory or hatred, but rather over water rights.

This month, United Nations officials have expressed fear that wars over water could erupt in the next decade. And within the past few years, both King Hussein of Jordan and former Prime Minister Rabin of Israel have declared that if there is another war in the Middle East, it will not be about land, it will be about water. If we can find lower cost technologies to convert salt water to fresh water, we can really make a difference.

The world population now stands at approximately 5.5 billion and it is rising. In numbers, the world's population grows each year by an amount equal to half of the current U.S. population. By the year 2050, population experts project a world with ten billion people. And yet, while population is rising, water resources are not.

You do not need to be an Einstein to recognize that we are headed for problems.

Madam President, let me give you some examples of the global water crises we currently face. The Aral Sea was once the fourth-largest body of fresh water in the world. Soviet experts had assured Khrushchev that he could divert water going into the Aral Sea for irrigation purposes and that runoff and other sources would eventually replenish the temporary water loss. Shipowners were told not to worry. Now, however, ships are stranded on dry land, literally 50 miles from the new shores of the shrunken Aral Sea.

The list of affected countries is long. Mauritania is a desperately poor country right on the ocean—and yet it can grow only 8 percent of its food because of water shortages. Spain is facing the worst drought in 100 years. Since 1992, rainfall in the south has been less than 30 percent of average. And Algeria, Morocco, Tunishia, and Ethiopia will all soon face critical problems.

UNICEF has warned that 35,000 children worldwide—a majority of them on the African continent—are dying daily from hunger or disease caused by lack of water or contaminated water.

Madam President, less than 1 percent of the Earth's water can be used directly for human consumption, or agricultural uses. As we have to deal with diminishing water resources, the only place we can get additional water is from the ocean. Desalination can help us address this problem.

U.N. Secretary General Boutros Boutros-Ghali, responding to a letter I wrote him, said: ''I am particularly pleased to hear of your interest in water issues and the legislation you are sponsoring on research on less costly desalination methods. As you rightly point out, such concerns are uppermost in the minds of people in regions where fresh water is scarce, not least in my own part of the world. During my tenure as Secretary-General, I will do my utmost to promote international cooperation regarding this most crucial resource.''

Clearly, this is an area where we can work together to affect the future of humanity. I commend the managers of this bill for recognizing the importance of desalination research and I thank them for their support of my amendment.

Mr. MCCAIN. Madam President, this amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4377) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MCCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4378

(Purpose: To propose an alternative to section 366, relating to Department of Defense support for sporting events)

Mr. MCCAIN. Madam President, on behalf of myself and Senators HATCH, BENNETT, and NUNN, I offer an amendment which would clarify the authority of the Department of Defense to provide essential security and safety assistance to agencies responsible for law enforcement and safety services. This amendment would also require reimbursement for nonsecurity and safety assistance provided by the Department of Defense to civilian sporting events.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona (Mr. McCAIN), for himself, Mr. HATCH, Mr. BENNETT, and Mr. NUNN, proposes an amendment numbered 4378.

The amendment is as follows:

Strike out section 366 and insert in lieu thereof the following new section:

SEC. 366. DEPARTMENT OF DEFENSE SUPPORT FOR SPORTING EVENTS.

(a) SECURITY AND SAFETY ASSISTANCE.—At the request of a Federal, State, or local government agency responsible for providing law enforcement services, security services, or safety services, the Secretary of Defense may authorize the commander of a military installation or other facility of the Department of Defense or the commander of a specified or unified combatant command to provide assistance for the World Cup Soccer Games, the Goodwill Games, the Olympics, and any other civilian sporting event in support of essential security and safety at such event, but only if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

(b) OTHER ASSISTANCE.—The Secretary may authorize a commander referred to in subsection (a) to provide assistance for a sporting event referred to in that subsection in support of other needs relating to such event, but only—

(1) to the extent that such needs cannot reasonably be met by a source other than the Department;

(2) to the extent that the provision of such assistance does not adversely affect the military preparedness of the Armed Forces; and

(3) if the organization requesting such assistance agrees to reimburse the Department for amounts expended by the Department in providing the assistance in accordance with the provisions of section 377 of title 10, United States Code, and other applicable provisions of law.

(c) INAPPLICABILITY TO CERTAIN EVENTS.—Subsections (a) and (b) do not apply to the following sporting events:

(1) Sporting events for which funds have been appropriated before the date of the enactment of this Act.

(2) The Special Olympics.

(3) The Paralympics.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the provision of assistance under this section as the Secretary considers necessary and appropriate to protect the interests of the United States.

(e) REPORT ON ASSISTANCE.—Not later than January 30 of each year following a year in which the Secretary provides assistance under this section, the Secretary shall submit to the congressional defense committees a report on the assistance provided. The report shall set forth—

(1) a description of the assistance provided;

(2) the amount expended by the Department in providing the assistance;

(3) if the assistance was provided under subsection (a), the certification of the Attorney General with respect to the assistance under that subsection; and

(4) if the assistance was provided under subsection (b)—

(A) an explanation why the assistance could not reasonably be met by a source other than the Department; and

(B) the amount the Department was reimbursed under that subsection.

(f) RELATIONSHIP TO OTHER LAWS.—Assistance provided under this section shall be subject to the provisions of sections 375 and 376 of title 10, United States Code.

Mr. McCAIN. Madam President, I offer an amendment to S. 1745, the National Defense Authorization Act for fiscal year 1997, which will clarify a current provision in the bill regarding military support to civilian sporting events. As you know, I have taken a particular interest in military support for civilian sporting events for a number of years. I want to ensure that any such assistance does not degrade military readiness, demean our men and women in uniform, and burden the American taxpayer when the costs of supporting such events should appropriately fall to the sponsoring organization which will receive the revenues.

The recommendation of the Senate Armed Services Committee for the fiscal year 1997 Defense Authorization Act, already includes a provision that would grant the Department of Defense the authority to provide security and safety assistance to civilian sporting events such as the Olympics. This provision also requires that any assistance provided to the sponsoring organization be reimbursed if the event results in a profit. However, there have been a number of concerns raised regarding this provision.

Madam President, the principal objection which I have heard raised to the current provision is it prevents the Department of Defense from supporting civilian law enforcement agencies in providing essential security services. As long as we are discussing what is misleading or inaccurate information, I would like to inform my fellow Senators that the allegations that this provision will prevent such service from being provided to law enforcement agencies definitely falls into this category. One only has to read chapter 18 of title 10, U.S.C. to realize that the DOD is already authorized to provide such assistance in permanent law. The current provision does nothing to change this. In fact, the American Law Division of the Congressional Research Service was asked to review this provision to see if there was any conflict between it and title 10, U.S.C. In response to this question, the American Law Division stated ''in contrast to other statutory schemes in which conflicts may be found, little indication of conflict may be discerned between section 366 and the provisions already in title 10.'' In light of the truth on this matter, I believe that it is irresponsible for individuals to object to the provision on these grounds. I ask that the letter from the CRS be included in the record.

I fully understand the need to provide adequate security at these types of events and do not advocate the prevention of such assistance. We do not want to risk another tragedy like the one that occurred at the Munich Olympics. We cannot assume that we are safe from such incidents simply because we live in the United States. Our own vulnerability to terrorists was demonstrated by the bombings of the World Trade Center in New York and the Federal building in Oklahoma City.

However, I have become increasingly concerned that the Department of Defense is being forced to provide assistance to major sporting events which does little to enhance security or safety. In fact, I find much of the support which the Department of Defense has decided to provide for the Atlanta Olympics to be disturbing. By the time the Olympic games in Atlanta are completed, the military will have dedicated over 13,000 military personnel and $50 million to support these activities. Although this support is being portrayed as necessary to ensure the security and safety of the international athletes and Olympic visitors, much of the assistance appears to be little more than a subsidy to the Atlanta Committee on the Olympic games. After all, section 1385 of title 18, United States Code, prohibits the use of the military as a posse comitatus. This means that the 13,000 military personnel who will be providing security are prohibited from acting as domestic law enforcement agents. In other words, they cannot enforce the laws; they have no authority to arrest or even detain individuals who engage in criminal activities.

Furthermore, I would like to point out that some of the services which will be provided by military personnel may in fact result in increased risk to the international athletes and Olympic visitors. One example is the military personnel who will be acting as bus drivers for the international athletes. While these individuals will receive some training prior to the Olympic games, they are not professional bus drivers. In fact, they will be less qualified than the professional civilian bus drivers they will displace.

In addition to increasing the danger to the Olympic athletes, the provision of bus drivers will negatively impact upon the small businesses which were under contract to provide these services. Last week, I received a letter from Robert Pounders of Motorcoach Charters outlining how the military personnel are displacing his company and other small businesses who had contracts to provide transportation services to the Olympic athletes. Last month, after the congressional defense committees voted to provide the Atlanta Olympics with an additional $12.2 million, he received a call canceling his contract because these duties will be performed by the military. According to Mr. Pounders, his company will now suffer an estimated $160,000 loss. In his letter he asked a very important question: ''Why is our tax money being used to take away the small business jobs that are the backbone of this nation's economy?'' This is a valid and important question that we should all ask ourselves whenever we are considering using military people for what are essentially commercial activities.

Madam President, I ask that Mr. Pounders' letter be printed in the RECORD.

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

MOTORCOACH CHARTERS
AND WINNING TOURS,
Richmond, VA, May 17, 1996.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Eleven months ago we contracted all of our motorcoaches for use at the Olympic games in Atlanta, to a professional motorcoach broker working closely with the Atlanta Committee on the Olympic Games (ACOG). We agreed that we would commit our entire fleet of 14 motorcoaches for this event and the broker sent us a small good faith deposit.

We just received a telephone call from the broker canceling all of our equipment since ACOG has decided to use school buses with military drivers supplied by the Department of Defense.

For 11 months we have turned down business since our fleet was committed to the Atlanta event. We promised our employees work and got them to commit to the Atlanta games and now we have nothing for them. Not only do we have an irate work force, but we have a severe financial loss just 60 days before our fleet was to be in Atlanta. At this point it appears our employees and our expensive motorcoach equipment will be sitting home while the government plays its own games with our tax money and livelihood.

I want answers to the following:

1. How does the government justify the use of military drivers, donated by the Department of Defense, to drive school buses in lieu of all the coaches that were contracted from private enterprises 11 months ago?

2. Why is our tax money being used to take away the small business jobs that are the backbone of this nation's economy?

3. What is the Department of Defense ''defending'' with the use of 1000 soldier drivers at the Olympic games—ACOGs bottom line?

4. Most importantly, how do you think all this will sit with the voters when we release this story to the TV networks ''20/20'', ''Dateline'', and ''Primetime''? This is exactly what they are looking for in their pursuit to expose what is really going on in Washington.

The government takes away our jobs, takes away our business, gives $50 million to a sporting event and then expects us to pay the bill with the money they took away from us.

Your response to each of the above questions by the numbers would be most appreciated. My colleagues and I anxiously await your reply.

Sincerely,

ROBERT R. POUNDERS,
President.

WINN,
Richmond, VA, June 10, 1996.

Senator JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR: The following information is a follow up to my letter to you on May 17, 1996, regarding the use of the military to drive buses at the Atlanta Olympics.

On or about June 5, 1996, I received a telephone call from a Lieutenant Commander Rusty White in Norfolk, Virginia (804–322–5169). He was asking us to quote on a training program for sailors under the U.S. Atlantic Command. The program entailed training 50 military men to drive buses for the Olympics. They wanted the men fully trained and pass their Commercial Drivers License test by June 30, 1996.

To add insult to injury, the government first gives the Olympic Committee military drivers and I lose my contract to perform this service. Then the government has the audacity to ask us to train their men to drive in less than thirty days.

We are now seeking to institute a lawsuit in order to recover the hundreds of thousands of dollars we will loose since we are unable to re-book our equipment at this late date and our drivers are without work.

It is no wonder that we can't have a balanced budget when Congress keeps killing all the geese that lay the golden eggs.

Sincerely,

ROBERT R. POUNDERS,
President.

Mr. MCCAIN. Madam President, some people have alleged that the assistance which the military personnel will provide will enhance their capabilities and training. In the case of the bus drivers, I would argue that the opposite is true. The individuals who will have to be trained in order to perform this mission are not military bus drivers. Therefore, I believe that we would be hard pressed to demonstrate that driving busses will improve the skills necessary for the true military mission of these personnel. In fact, I believe that it would be far easier to demonstrate that such assistance degrades military capabilities because valuable and scarce training time is being wasted performing menial tasks.

In my opinion, this one example highlights how military assistance to these sporting events, if taken too far, can result in decreased safety, negatively impacts upon small businesses, and potentially degrades military readiness. How many accidents will we see as a result of this decision? How many small businesses are we intending to displace? How many military units will suffer a degradation in their readiness in order to provide services which have nothing to do with security or safety?

These questions may only be answered after the Olympic games in Atlanta have concluded. I believe that it is the responsibility of the Department of Defense and the Congress of the United States to review any negative affects of this assistance, and to take whatever corrective action is necessary to ensure that there is not a repetition of such negative affects in the future.

Madam President, the bus drivers are only one example of the support we are asking the military to provide in the name of ''security and safety.'' I believe that we can only consider assistance such as this to be security and safety if we use the broadest definitions of those words. In fact, we may have to actually redefine those words in order to make some of this assistance fit within the definition.

In addition to the bus drivers, we have heard about the watering of artificial turf on the hockey field which is now being portrayed as fire safety; the purchase of the Olympic dining facility; and the provision of the barges for the Olympic yachting events. Furthermore, some military personnel will be used to perform what one military officer has referred to as menial labor. I am gratified that the supporters of this assistance are not claiming that all of this is security and safety. However, I am disappointed these supporters claim that it is appropriate for the Department to provide such assistance. I believe it is an outrage that fine young Americans, who dedicate their lives to the protection of this Nation, should be forced to perform tasks such as chauffeuring international athletes and watering artificial turf on field-hockey fields. I also believe that it is inappropriate to dedicate scarce defense resources on these activities unless such support cannot be obtained from another source.

Although there is supposed to be a reimbursement for some of the assistance being provided in Atlanta, there is no guarantee. We have already seen ACOG renege on $2.8 million worth of support they had originally agreed to provide to the military. In one case, ACOG had originally agreed to feed the military personnel who are providing the assistance. However, while ACOG is continuing to provide food for the other Olympic volunteers, they are now charging the Department of Defense for the meals that will be served to the military personnel. In addition, although it has been reported that ACOG has reimbursed the Department of Defense for the provision of barges at the yachting events, this only includes $39,750 for the repair of the barges. There is another cost of $9,247 for the towing of the barges to the event location which was absorbed by the Department of Defense.

Madam President, this is another example of the misleading information which is being spread about the assistance which the Department of Defense is providing to the Atlanta Olympics. Earlier, we heard one member state that DOD would be reimbursed for all nonsecurity and safety assistance. However, here is a clear example of nonsecurity, nonsafety assistance, which will not be reimbursed. I believe that when we talk about the $39,750 that will be reimbursed, we should also discuss the $9,247 that will not be reimbursed; just to ensure that we are not providing misleading information.

Madam President, I believe that it is also important to discuss the fact that Federal tax dollars, including funds provided to the DOD, were used to send 9 State and local officials to the 1993 Presidential Inauguration. Although, this has been portrayed as ''a unique opportunity to study and synthesize the security planning and preparation of the Secret Service,'' I am personally skeptical and asked the Department of Defense to provide more detail regarding the activities of these individuals during this time, including the cost of each of these activities. Unfortunately, the response I received was that the Army is ''unable to explain decisions made before the Secretary of the Army was designated Executive Agent.'' I guess they were unable to pick up the phone and call other entities in the Department of Defense.

Madam President, an issue which further aggravates me is the way in which

the Atlanta Committee on the Olympic Games is treating the very military from which it asks so much. Recently I received a letter from Mr. Tom Roskelly of Annapolis, MD. According to Mr. Roskelly, last year he met with a Mr. Charles Snow who is the advance manager for the Atlanta Committee for the Olympic Games in region 5. The purpose of this meeting was to discuss preliminary plans for the Olympic Torch Run through Annapolis. At this meeting, Mr. Roskelly suggested that the Olympic Torch be carried through the grounds of the Naval Academy because it would serve to honor Academy graduates who have participated in past Olympic Games; it would provide a very scenic route through which to carry the torch; and it would reduce the amount of city streets which must be closed down to accommodate the torch run. Although these are all very good arguments for carrying the torch through the Naval Academy, Mr. Snow curtly informed Mr. Roskelly that the Olympic Torch would not be allowed to travel through any active military installations. I guess they are afraid of militarizing the Olympics.

Madam President, I ask that Mr. Roskelly's letter be printed in the RECORD.

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

CITY OF ANNAPOLIS,
Annapolis, MD, June 4, 1996.

Hon. JOHN S. MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Mr. Charles Snow, Advance Manager, Region V, Atlanta Committee for the Olympic Games (ACOG) met with me and several members of the United Way of Central Maryland on July 20, 1995 to discuss preliminary plans for the Olympic Torch Run through Maryland's Capital City on June 20, 1996.

At that meeting, I made several suggestions to Mr. Snow including a routing through the United States Naval Academy for what I considered several very cogent reasons:

1. It would serve as a salute to the USNA alumni who have participated in past Olympic Games.
2. It would provide a very photogenic route through a registered National Historic Landmark.
3. It would reduce the amount of City streets which must be closed down to accommodate the torch run (in a City where traffic and parking are always considered to be problems).

I was curtly informed by Mr. Snow that the Olympic Torch would not be allowed to travel through any active military installation> Although I reminded Mr. Snow that the Naval Academy is an ''open base'' and considered to be one of the foremost visitor attractions in Maryland, he insisted that the prohibition would not allow a change in the routing of the torch run.

As a corollary matter, I also suggested yet another photographic opportunity involving the Governor of the State of Maryland and the venue of the Maryland Statehouse (the oldest statehouse in continuous legislative use in the United States). Mr. Snow informed me that the torch cannot be touched by any elected official.

After being rebuffed with my suggestions, I decided to sit back and let Mr. Snow tell me what he wanted from the City—no more, no less. I did not ask for any written confirmation of Mr. Snow's comments. As a matter of fact, the meeting resulted in a letter which was requested by Mr. Snow to be written by Mayor Alfred A. Hopkins.

If I can be of any further assistance in this matter, please do not hesitate to call on me. My Annapolis telephone is (410) 263–1183; FAX (410) 263–8120; E-mail: roskelly@annapolis.gov

Sincerely,

THOMAS W. ROSKELLY,
Public Information Officer.

Mr. MCCAIN. Madam President, another objection which has been raised to the current provision is the requirement that the sponsoring organization reimburse the Department of Defense for its support if, I repeat if, the event results in a profit for that organization. Although it is certainly possible that some events may not realize a profit, this is certainly not the rule as was demonstrated by the $222 million made at the Los Angeles Olympics.

Some argue that the accounting procedures necessary for determining if a profit is made would be a nightmare. I personally cannot imagine any major event, such as the Olympics, where the officials responsible for the management of the event would not already keep track of the revenues and expenditures. Perhaps it is simply that some members of the sponsoring organizations, such as the International Olympic Committee, would object to returning some of the profits of the American taxpayers. However, I believe that it is far more appropriate to return these funds to the citizens of the United States rather than using them to support the luxurious lifestyles of Olympic officials. One only has to read a recent article in the Washington Post to see how these funds are currently expended.

Furthermore, I would like to point to chapter 18 of title 10, United States Code, which currently outlines the authority for the Department of Defense to support domestic law enforcement agencies. This chapter contains a number of provisions which already provide the Department of Defense with the authority to support law enforcement agencies if such assistance is requested I would like to draw everyone's attention to section 377 of that chapter which requires the civilian law enforcement agencies to reimburse the Department of Defense for the assistance which the DOD provides.

Should we not also require private organizations to reimburse the Department? This was not the belief of the Congress and the President when Public Law 94–427 was passed. This law included a provision which required ''all revenues generated by the Olympic winter games in excess of actual costs shall revert to the Treasury of the United States in an amount not to exceed the total amount of funds appropriated under the authority of section 9 of this Act.''

Madam President, I would like to address some of the other issues which have been raised regarding misleading or inaccurate information. One of these issues was the State of Georgia waiving the fees for military personnel to obtain a commercial drivers license. It was stated that Georgia has agreed to waive all of the fees associated with the cost of obtaining such a license, if the license is going to a military individual residing in the State of Georgia. As the member is aware, this was not always the case, and it was only after members of the Senate raised the issue that such an agreement was obtained. In addition, while I am gratified that DOD will incur no cost for the 358 individuals to whom this waiver will apply, I am disappointed that the DOD will incur such costs for the other 700 individuals.

I would also like to address the issue of the military personnel who are contributing to the watering of artificial turf on the field hockey fields. This is true and everyone is fully aware of the facts. The fact that these 25 military personnel will only operate the equipment that provides the water to the distribution system in no way diminishes the fact that they are being used to provide the water for this artificial turf. Calling this assistance fire safety is only an example of the broad definition which has been applied to the words security and safety in order to justify the provision of such assistance.

Another issue which was raised was that allegations have been raised that military personnel will wash ACOG vehicles. I personally have raised that issue based on the information which was provided to me and my staff by the General Accounting Office which was looking into the issue of what assistance the military was providing to the Atlanta Olympics. Subsequent information was provided retracting this information and neither I, nor anyone else that I am aware of, has used it since.

Madam President, I would like to thank the members of the Armed Services Committee for supporting the current provision in the committee's recommendation of this bill. I believe that this provision would go a long way toward protecting the interests of the American taxpayers.

However, in order to satisfy the concerns of those individuals who believe that the current provision would restrict the Department of Defense from providing essential security and safety. I am sponsoring this amendment which would clarify the DOD's authority to provide such assistance. Before such assistance could be provided, it would have to be requested by a civilian official responsible for security or safety, and the Attorney General of the United States would have to certify that it is necessary to meet essential security and safety needs.

Madam President, this amendment would also allow the Department to provide other assistance to sporting events so long as such assistance cannot be reasonably provided by a source

other than the Department of Defense. In addition, the organization requesting this assistance must agree to reimburse the Department of Defense for the full costs to the Department of providing this assistance, including the personnel costs of any military individuals involved in providing the assistance.

Furthermore, no assistance can be provided if that assistance would result in a degradation of military readiness or capability. This means that scarce training time could not be used providing assistance which does little to enhance the military capabilities of our men and women in uniform. Reservists who spend only a few short weeks each year preparing for combat, could not forgo this training in order to observe pedestrians crossing the streets or driving buses. This requirement will help to ensure that whatever level of assistance is provided, it is not provided at the cost of military readiness.

The amendment would also require the Department of Defense to provide the congressional defense committees with a report each year after such assistance is provided. This report would set forth a description of the assistance provided; the amount expended by the Department in providing the assistance; and other important information. This would allow the Congress to closely monitor the assistance provided pursuant to this provision to ensure that such assistance is being provided in an appropriate manner.

Madam President, I ask that the Members of the Senate vote to support this provision which clarifies the Department's authority to assist civilian law enforcement agencies, protects the interests of the American taxpayers, and preserves military readiness.

OLYMPIC SECURITY

Mr. HATCH. Madam President, the amendment rationalizes section 366, which provides for Defense Department support for major sporting events hosted in the United States.

Since the DOD authorization bill for fiscal year 1997 was reported from the Armed Services Committee last month, there has been much attention given to the need to create a strong terrorism deterrent at the forthcoming Olympic games in Atlanta.

I appreciate the concerns expressed and raised by my good friend, Senator MCCAIN, and deeply respected his views throughout this process, although we disagreed on the language that was incorporated into the committee reported version of this bill. But, because we shared the same goal, it was only a matter of agreeing upon the means to that end, which this amendment represents.

I, especially, want to thank Senators NUNN, BREAUX, CRAIG, COVERDELL, and MOSELEY-BRAUN; they were leaders among the nearly 65 Senators who joined in the effort to make certain that the Atlanta Olympic games—and all other future sporting events held in this country—would be events that all spectators, American citizens as well as foreign visitors, could attend with an optimal sense of security. We are not just talking about high-visibility Olympic events, but other mass sporting activities which draw international attention—and, therefore, terrorist interest—like super bowls, goodwill and Pan-American games, special and paralympics, and world cups, among others.

I, particularly, want to thank my friend and colleague from Utah, Senator BENNETT. His input and initiative on this issue were key.

The amendment we are adopting to this bill today reinforces the message sent by my good friend and ranking minority member of the Judiciary Committee, Senator BIDEN, who, in a June 11 hearing on Olympic security, warned prospective purveyors of harm to the Atlanta games, not even to think about it.

In fact, as we have learned from the Judiciary Committee hearing, as well as a recent CNN series on Olympic security, unprecedented security and safety capabilities are being put in place. In a few words, Madam President, we have taken every imaginable precaution to ensure the security and safety of the 2 million visitors, 40,000 other members of the Olympic family, visiting dignitaries from more than 190 countries, and the Atlanta community.

As the Olympic torch winds its way across country, and having just seen it pass through the streets of Washington to the White House lawn, we have seen an outpouring of public support for the summer games that is both refreshing and exciting. The Olympic flame encourages all of us to focus on teamwork and competition instead of conflict and strife.

I urge you to listen to composer and Maestro John Williams' rendition of the Atlanta Olympic games' musical theme: Summon the Heroes. It is a rousing, patriotic musical restatement of our national pride. It's already a hit with the summer Boston Pops' Esplanade Concert series. Nothing, Madam President, I repeat nothing, should derail what could be the greatest Olympic event in modern history. In fact, I believe that our country should give nothing less to the world.

The Atlanta games are also America's games, said Vice President GORE on May 14, 1996. He added that the Federal Government must run the only leg that it can: Assuring security.

Madam President, of course, the Olympic spirit could be extinguished in a second should an individual or group decide to turn international attention to a radical cause. It is incumbent on us to take steps to prevent such a calamity. And, it is a possibility that is all too real given the tragic incident at the 1972 Olympic games.

This amendment will contribute constructively to this colossal security and safety effort. I will deal categorically with the two important topics of this amendment: Security and financial considerations.

There are four points this amendment makes regarding essential security and safety:

First, the United States is setting a new American security standard which, I believe, is necessary.

This standard is rooted in the Antiterrorism and Effective Death Penalty Act, which passed this body by a 91 to 8 vote, and was signed into law by President Clinton last month. The spirit of that law is embodied in this amendment: That our commitment to security has no partisan fences.

All future major sporting events will enjoy the best security arrangements this country can bring forward. In Judiciary Committee hearings on June 11, Israeli antiterrorism expert, Prof. Ariel Mercari of Tel Aviv University, warned that terrorists seek out mass events to convey an ugly political message.

This amendment facilitates cooperation between law enforcement officials and DOD, and creates a strong security deterrent for such games as the Atlanta and Salt Lake Olympics, the World Masters games in Portland, and the Goodwill games in New York City, both in 1998, and the Special Olympics to be held in Raleigh, in 1999, as well as the 1999 Women's World Cup, for which such cities as Boston, Orlando, Miami, Birmingham, Washington, and Pasadena are likely to compete this year.

Second, the amendment fosters the type of systematic, coordinated and comprehensive effort needed across the entire law enforcement, security, and safety community to control all forms of terrorism, whether they originate from domestic or international sources.

By inserting a requirement for the Attorney General to validate all essential security requests from Federal, State, and local officials, DOD support will be entirely consistent with current law regarding the use of military personnel and equipment.

Third, the amendment provides an unprecedented capability to deal with modern security threats.

The memory of the Munich massacre was a common thread in the drafting of this amendment. The United States commitments to several international conventions and treaties, calling for the protection of athletes and other foreign visitors, have been codified into law at title 18, United States Code, sections 112(f), 1116(d) and 1201(f). These statutes have been strengthened, the net effect of which is the creation of a deterrent to terrorism and other criminal behavior so potent that only the most reckless persons would risk wrongdoing—but it is this type of activity that we are nonetheless prepared to prevent.

The changing nature of terrorism compels this amendment. As the Justice Department and FBI witnesses warned us at our June 11 Judiciary hearing: it is a changing world, security arrangements made for Los Angeles are simply insufficient for Atlanta. Atlanta is unique. The needs cannot be

met by the total law enforcement community in the State of Georgia.

The fourth security need addressed by the amendment clarifies the collection of Federal statutes that embody the legal basis for DOD support.

Public safety remains a governmental responsibility. The amendment avoids the risk of abdicating security to a private organization which could be obligated to pay for essential security and safety support. In such an event, the temptation to cut corners is too great. This was a fear expressed by the Justice Department.

Limitations on the use of military personnel and equipment for sporting event support are brought into conformance with existing laws. Most notably, the posse comitatus statutes, found at sections 375 to 377 of title 10, United States Code, are applied with full force. Military preparedness will not be sacrificed, and the restrictions on military personnel performing such law enforcement activities as search, seizure and arrest are explicitly applied.

Madam President, let me now turn to the parallel concern of many members of Congress and citizens: the appropriate use of military personnel. We all honor the service of our military people. They should not be conscripted into service as servants, chauffeurs, launderers, waiters and waitresses, and other demeaning uses—and they assuredly will not. This type of misuse of our armed forces has been averted by a rigorous requirement that services, other than essential security and safety, be agreed to by the Secretary of Defense, and where agreed upon, be subject to reimbursement in accordance with section 377 of title 10.

Lastly, Madam President, the amendment avoids last-minute rule changes that could have totally disrupted Olympic host entity planning by creating financial obligations that were unforeseen, such as the reimbursement for essential security and safety, and that could have spelled financial ruin and organizational chaos for an event.

Madam President, I encourage the members of this Chamber to provide the same hearty endorsement of this amendment that they gave to the recent antiterrorism bill. An overwhelming vote of support will convey a message to the entire world that the United States intends to honor, fulfill and vigorously prosecute its responsibilities as a global leader in the crusade against threats.

Again, my thanks to my colleagues for their assistance and support of this amendment.

Mr. BENNETT. Madam President, I rise to support the amendment that modifies section 366 dealing with DOD assistance to civilian sporting events. I thank Senator MCCAIN for his willingness to work with both Senator HATCH and me in crafting language that clarifies the manner in which the Department of Defense can provide security to civilian sporting events in the future. I found that we all had an interest in safety and ensuring that government resources are spent wisely.

Because Salt Lake City, UT, has been chosen to host the 2002 winter Olympic games, I have more than a passing interest in ensuring that everyone attending the Olympics can do so feeling confident of their safety. I believe visitors can have that confidence in Atlanta, and I want that to be the case in Salt Lake City. Federal expertise and assistance is invaluable to ensuring public safety in such circumstances. The Department of Defense also has unique capabilities that have proven very useful in supporting an event of this size.

Senator MCCAIN is known for his vigilance in ensuring tax dollars are spent wisely, especially in the Department of Defense. As the chairman of the Readiness Subcommittee, and as one whose family has a long history of military service to this country, I understand his concern. I share his belief that DOD resources must be used very carefully, whether it is for a new weapon system or providing Olympic security.

This amendment will continue to permit the Department of Defense to assist government entities responsible for safety and security with essential security needs. This assistance is absolutely necessary to adequately address the threats to any large international sporting event in today's environment. In addition, it will make DOD's nonsecurity capabilities available, as they have been in the past, if the DOD costs of providing that assistance is reimbursed. This would permit the current practice of making available surplus or unused equipment that is sitting in a warehouse on loan. The Department of Defense will also be required to report to Congress, outlining the assistance that has been provided.

It is my hope that this amendment strikes an appropriate balance between accountability and flexibility when Federal assistance is needed. Again, I thank Senator MCCAIN for his willingness to work with us. I would also like to thank my colleague Senator HATCH for his work on this amendment. He is very aware of the terrorist threat, and is committed to providing a secure environment for our citizens, athletes, and international guests.

We are on the eve of another Olympics coming to the United States. I reiterate my support for Atlanta. I know this has been a long road and I wish to thank my colleagues from Georgia, Senator NUNN and Senator COVERDELL. They have provided a valuable perspective and given me a glimpse of the magnitude of this event, and the efforts that have been made to bring the Olympics to the United States.

As the world gathers to watch the best of the best compete in the spirit of good will, I extend my best wishes to Atlanta. May the games enjoy every success. It is an honor to have the games here.

Mr. MCCAIN. Madam President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. The amendment has, indeed, been cleared on this side.

Mr. MCCAIN. Madam President, I urge the Senate adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4378) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MCCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4379

(Purpose: To provide for the payment by the Department of Energy of costs of operating and maintaining the infrastructure of the Nevada Test Side, Nevada, with respect to activities of the Department of Defense at the site)

Mr. LEVIN. Madam President, I send an amendment to the desk on behalf of Senator REID and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Mr. REID, proposes an amendment numbered 4379.

The amendment is as follows:

At the end of subtitle C of title XXXI, add the following:

SEC. 3138. PAYMENT OF COSTS OF OPERATION AND MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST SITE.

Notwithstanding any other provision of law and effective as of September 30, 1996, the costs associated with operating and maintaining the infrastructure at the Nevada Test Site, Nevada, with respect to any activities initiated at the site that date by the Department of Defense pursuant to a work for others agreement may be paid for from funds authorized to be appropriated to the Department of Energy for activities at the Nevada Test Site.

Mr. REID. Madam President, the Department of Energy, as of September 30, 1997, is authorized to apply stockpile stewardship funds to infrastructure costs of the Nevada Test Site associated with new Department of Defense programs at the site.

Presently, there are significant Department of Defense programs at the Nevada Test Site because of its unique capabilities to meet these programs' objectives. The Department of Defense chooses to operate at the Nevada Test Site because of its unique, one-of-a-kind capabilities and because the Test Site offers a more cost-effective option for program execution. These benefits are wholly appropriate reasons for a Department of Defense program to choose to operate at a Department of Energy site.

The Nevada Test Site has a continuing and overriding mission to assure the safety and reliability of the U.S. stockpile that requires meeting most of the facility infrastructure expenses.

This authorization expands the opportunities for cost-effective execution

of Department of Defense programs at the Nevada Test Site by providing a facility charge policy similar to that implemented at Defense Department facilities.

In addition to cost savings opportunities, this authorization benefits the mandated Test Readiness Program. Test Readiness requires trained teams of technicians, drillers, riggers, geologists, meteorologists, operations safety specialists, and so forth. These experts must exercise their skills to assure a high level of proficiency at all times. A healthy and diverse set of operational requirements such as derives from many Department of Defense programs would assure productive activity that increases the proficiency and readiness of these teams.

Mr. LEVIN. Madam President, this amendment authorizes but does not require the DOE to pay for infrastructure costs at the Nevada test site beginning in FY 1997 from stockpile stewardship funds.

Mr. MCCAIN. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4379) was agreed to.

Mr. MCCAIN. Madam President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4380

(Purpose: To express the sense of the Senate concerning export controls)

Mr. MCCAIN. Madam President, on behalf Senator KYL, I offer an amendment that would express the sense of the Senate.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. KYL, for himself and Mr. BINGAMAN, proposes an amendment numbered 4380.

The amendment is as follows:

At the end of subtitle D of title X add the following:

SEC. 1044. SENSE OF THE SENATE CONCERNING EXPORT CONTROLS.

(a) FINDINGS.—The Senate makes the following findings:

(1) Export controls are a part of a comprehensive response to national security threats. United States exports should be restricted where those threats exist to national security, nonproliferation, and foreign policy interests of the United States.

(2) The export of certain commodities and technology may adversely affect the national security and foreign policy of the United States by making a significant contribution to the military potential of individual countries or by disseminating the capability to design, develop, test, produce, stockpile, or use weapons of mass destruction, missile delivery systems, and other significant military capabilities. Therefore, the administration of export controls should emphasize the control of these exports.

(3) The acquisition of sensitive commodities and technologies by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons, missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States and its allies. The availability to countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through deterrence, negotiations, and other appropriate means whenever possible.

(4) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(5) On November 5, 1995, President William J. Clinton extended Executive Order No. 12938 regarding ''Weapons of Mass Destruction'', and ''declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the proliferation of nuclear, biological, and chemical weapons and the means of delivering such weapons''.

(6) A successor regime to COCOM (the Coordinating Commission on Multilateral Controls) has not been established. Currently, each nation is determining independently which dual-use military items, if any, will be controlled for export.

(7) The United States should play a leading role in promoting transparency and responsibility with regard to the transfers of sensitive dual-use goods and technologies.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) establishing an international export control regime, empowered to control exports of dual-use technology, is critically important and should become a top priority for the United States; and

(2) the United States should strongly encourage its allies and friends to—

(A) adopt a commodity control list which governs the same or similar items as are controlled by the United States Commodity Control list;

(B) strengthen enforcement activities; and

(C) explore the use of unilateral export controls where the possibility exists that an export could contribute to proliferation.

Mr. MCCAIN. This amendment would express the sense of the Senate that it is critically important, and should be a top priority, for the United States to establish an international export control regime empowered to control exports of dual-use technologies; encourage our allies and friends to adopt a commodity control list which is similar to the U.S. commodity control List; strengthen enforcement activities; and, use unilateral export controls in the case of exports which could contribute to the proliferation of weapons of mass destruction.

Madam President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. The amendment has, indeed, been cleared.

Mr. MCCAIN. I urge the Senate adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4380) was agreed to.

Mr. MCCAIN. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4381

(Purpose: To attach conditions and limitations to the provision of support for Mexico for counter-drug activities)

Mr. MCCAIN. Madam President, on behalf of Senator HELMS, I offer an amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. HELMS, proposes an amendment numbered 4381.

The amendment is as follows:

In section 1031(a), strike out ''The Secretary of Defense'' and insert in lieu thereof ''Subject to subsections (e) and (f), the Secretary of Defense''.

At the end of section 1031, add the following:

(e) LIMITATIONS.—(1) The Secretary may not obligate or expend funds to provide support under this section until 15 days after the date on which the Secretary submits to the committees referred to in paragraph (3) the certification described in paragraph (2).

(2) The certification referred to in paragraph (1) is a written certification of the following:

(A) That the provision of support under this section will not adversely affect the military preparedness of the United States Armed Forces.

(B) That the equipment and materiel provided as support will be used only by officials and employees of the Government of Mexico who have undergone a background check by that government.

(C) That the Government of Mexico has certified to the Secretary that—

(i) the equipment and materiel provided as support will be used only by the officials and employees referred to in subparagraph (B);

(ii) none of the equipment or materiel will be transferred (by sale, gift, or otherwise) to any person or entity not authorized by the United States to receive the equipment or materiel; and

(iii) the equipment and materiel will be used only for the purposes intended by the United States Government.

(D) That the Government of Mexico has implemented, to the satisfaction of the Secretary, a system that will provide an accounting and inventory of the equipment and materiel provided as support.

(E) That the departments, agencies, and instrumentalities of the Government of Mexico will grant United States Government personnel unrestricted access to any of the equipment or materiel provided as support, or to any of the records relating to such equipment or materiel, under terms and conditions similar to the terms and conditions imposed with respect to such access under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(F) That the Government of Mexico will provide security with respect to the equipment and materiel provided as support that is equivalent to the security that the United States Government would provide with respect to such equipment and materiel.

(G) That the Government of Mexico will permit continuous observation and review by United States Government personnel of the use of the equipment and materiel provided

as support under terms and conditions similar to the terms and conditions imposed with respect to such observation and review under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(3) The committees referred to in this paragraph are the following:

(A) The Committees on Armed Services and Foreign Relations of the Senate.

(B) The Committees on National Security and International Relations of the House of Representatives.

(f) PROHIBITION ON PROVISION OF CERTAIN MILITARY EQUIPMENT.—The Secretary may not provide as support under this section—

(1) any article of military equipment for which special export controls are warranted because of the substantial military utility or capability of such equipment;

(2) any military equipment identified on the United States Munitions List; or

(3) any of the following military equipment (whether or not the equipment has been equipped, re-equipped, or modified for military operations):

(A) Cargo aircraft bearing ''C'' designations, including aircraft with designations C–45 through C–125, C–131 aircraft, and aircraft bearing ''C'' designations that use reciprocating engines.

(B) Trainer aircraft bearing ''T'' designations, including aircraft bearing such designations that use reciprocating engines or turboprop engines delivering less than 600 horsepower.

(C) Utility aircraft bearing ''U'' designations, including UH–1 aircraft and UH/EH–60 aircraft and aircraft bearing such designations that use reciprocating engines.

(D) Liaison aircraft bearing ''L'' designations.

(E) Observation aircraft bearing ''O'' designations, including OH–58 aircraft and aircraft bearing such designations that use reciprocating engines.

(F) Truck, tractors, trailers, and vans, including all vehicles bearing ''M'' designations.

Mr. McCAIN. This amendment would attach conditions and limitations to the provision of support for Mexico for counter drug activities.

Madam President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. The amendment has been cleared.

Mr. McCAIN. I urge the Senate adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4381) was agreed to.

Mr. McCAIN. Madam President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4382

(Purpose: To control the sale of chemicals used to manufacture controlled substances)

Mr. LEVIN. Madam President, on behalf of Senator FEINSTEIN, I offer an amendment which would prohibit Federal agencies from selling chemicals that could be used to manufacture illegal drugs unless the Drug Enforcement Agency certifies that there is no reasonable cause to believe that the sale will result in the illegal production of controlled substances.

I believe the amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Mrs. FEINSTEIN, for herself, Mr. Kyl, and Mr. GRASSLEY, proposes an amendment numbered 4382.

The amendment is as follows:

At the end of subtitle F of title X, add the following:

SEC. 1072. SALE OF CHEMICALS USED TO MANUFACTURE CONTROLLED SUBSTANCES BY FEDERAL DEPARTMENTS OR AGENCIES.

A Federal department or agency may not sell from the stocks of the department or agency any chemical which, as determined by the Administrator of the Drug Enforcement Agency, could be used in the manufacture of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) unless the Administrator certifies in writing to the head of the department or agency that there is no reasonable cause to believe that the sale of the chemical would result in the illegal manufacture of a controlled substance.

Mrs. FEINSTEIN. Madam President, I am, along with Senators KYL and GRASSLEY, proposing an amendment to the DOD authorization bill that will stop the Government from inadvertently contributing to the manufacture of controlled substances. Our amendment requires that no Federal department or agency may sell stockpiled chemicals until the Drug Enforcement Agency certifies that the sale of the chemical would not result in the illegal manufacture of a controlled substance.

This problem was brought to my attention through a routine solicitation to sell iodine by the Defense National Stockpile Center. Earlier this year, Defense National Stockpile offered for sale, to the highest bidder, 450,000 pounds of crude iodine. Iodine is one of the main ingredients in methamphetamine. Defense National Stockpile had no idea that iodine was used in making meth, and therefore did not consult with the Drug Enforcement Agency regarding the practices of the companies that might purchase this iodine at rock-bottom prices. After consulting with DEA, at my request, the Defense National Stockpile chose to cancel the iodine sale.

Had my staff not noticed this proposed sale, hundreds of thousands of pounds of iodine could be on its way to methamphetamine labs across the country—the lion's share probably in my State.

I have been extremely concerned with the proliferation of methamphetamine due to the meteoric rise in hospitalizations and arrests from abuse. Earlier this year, Senators KYL, REID, GRASSLEY, and I introduced the Methamphetamine Control Act of 1996. This legislation, drafted with the input of the Drug Enforcement Agency, the California Attorney General's Bureau of Narcotic Enforcement, the California Narcotics Officers Association, and local, State, and Federal and law enforcement, is a carefully crafted, targeted piece of legislation aimed at the supply side of the problem. The bill increases criminal penalties that can be applied to large-scale methamphetamine manufacturers in our Nation; restricts access to the precursor chemicals used in mass quantities to produce methamphetamine; and, increases the penalties for possession of controlled chemicals or specialized equipment used to make methamphetamine

This legislation also adds the chemicals used to make methamphetamine—iodine, red phosphorous, and hydrochloric gas—to the Chemical Diversion and Trafficking Act.

You can, therefore, see how an unchecked sale of 450,000 pounds of iodine could add to the huge problem we already have.

I have a particular interest in this issue because of the ravaging effects it is having on my State and on other States in the Southwest.

Let me explain how serious this problem is today:

Methamphetamine has been around for a long time. But what was once a relatively small-scale drug operation run by American motorcycle gangs, has now been taken over by the Mexican drug cartels and, according to DEA, is now a multibillion dollar industry.

California—particularly Sacramento, the Central Valley, and the Inland Empire—has become the front line in this new and dangerous drug war.

DEA has designated California as the source country for methamphetamine—much like Colombia is the source country for cocaine, and identified 93 percent of the methamphetamine seized nationwide as having its point of origin in California.

The explosion of this drug is being documented in jails and hospital emergency rooms around California, and this epidemic is spreading eastward:

California hospitals—366 percent increase—from 1,466 admissions in 1984 to 6,834 in 1993.

Central California hospitals saw a 1,742 percent increase. Sacramento hospitals—1,385 percent increase—from 46 cases in 1984 to 637 in 1993.

In San Diego, admissions to drug-treatment programs for methamphetamine abuse surged 551 percent from 1988 to 1995. In 1994, for the first time, methamphetamine admissions outnumbered those for alcohol.

At Sutter Memorial Hospital in Sacramento, babies born with methamphetamine in their blood system now outnumber crack babies by as much as 7 to 1.

More than 1,800 deaths were caused by methamphetamine abuse from 1992 to 1994—a 145-percent increase in just 2 years. The majority of these cases occurred in the four western cities of Los Angeles, San Francisco, San Diego, and Phoenix.

The problem is still growing:

Large-scale labs are now commonplace. Last year, in the central valley, law enforcement convicted a man who manufactured in excess of 900 pounds of methamphetamine, with a street value of $5 million.

Literally hundreds of illicit laboratories are located throughout the State. San Bernardino and Riverside law enforcement officials say there were 589 methamphetamine labs discovered in 1995—in just those two counties alone.

And since the first of this year—just 9 weeks—another 127 labs were found in these two counties.

Part of the problem for law enforcement is that the labs are so highly mobile.

Labs can be set up in apartments, mobile homes, and even moving vehicles, and can be dismantled in a matter of hours, making it very difficult for police to track and close these labs.

Law enforcement is now finding labs in hotel rooms. Drug dealers come in, set up, produce their drugs, and leave. Hotel staff then find the materials left in the rooms.

California Environmental Protection Agency expects that 1,150 sites will require cleanup by the end of this year in California.

This trend is overwhelming local resources because these labs are also very dangerous.

Most of the chemicals used in these laboratories, such as iodine, refrigerants, hydrochloric gas, and sodium hydroxide, are toxic and, in the case of red phosphorous, highly flammable or even explosive.

Two months ago, a mobile home in Riverside County being used as a meth lab exploded killing three small children.

Incredibly, the mother of these children pleaded with neighbors that they not call for help. Before firefighters could find the children's burnt bodies, the woman walked away from the scene.

This is a horrifying example of the effects of this drug. But the violence associated with methamphetamine is even more alarming. Prolonged use of the drug produces paranoid and violent behavior.

And, because the methamphetamine trade is so lucrative with its low production costs and high-profit margin, police are seeing a tremendous surge in violence, particularly among rival gangs associated with distribution.

Police in Phoenix say methamphetamine is mainly responsible for the 40-percent jump in homicides the city is experiencing.

In Contra Costa County, law enforcement leaders report that methamphetamine is involved in 89 percent of domestic disputes.

Last year in San Diego, rival methamphetamine smuggling rings were responsible for 26 homicides.

In 1994, among all the adults arrested in the San Diego area, 42 percent of men and 53 percent of women tested positive for amphetamines.

In San Luis Obispo, CA last year, local authorities requested assistance from DEA in dealing with spiraling violence that involved 13 drug-related homicides—in 1 month—committed by gangs in the production and distribution of methamphetamine.

Fighting the spread of methamphetamine should be the responsibility of every Federal department and agency. My amendment helps to ensure that the Federal Government does not contribute to this crisis.

Mr. MCCAIN. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4382) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote.

Mr. MCCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4383

(Purpose: To continue funding for computer-assisted education and training)

Mr. MCCAIN. Madam President, on behalf of Senators MOSELEY-BRAUN, COCHRAN and LOTT, I offer an amendment to continue funding for computer system education and training.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Senator from Arizona [Mr. MCCAIN], for Ms. MOSELEY-BRAUN, for herself, Mr. LOTT and Mr. COCHRAN, proposes an amendment numbered 4383.

The amendment is as follows:

At the end of subtitle B of title II, add the following:

SEC. 223. COMPUTER-ASSISTED EDUCATION AND TRAINING.

Of the amount authorized to be appropriated under section 201(4), $10,000,000 shall be available under program element 0601103D for computer-assisted education and training at the Defense Advanced Research Projects Agency.

Ms. MOSELEY-BRAUN. Madam President, my amendment to the National Defense Authorization Act for Fiscal Year 1997 would continue funding for the Computer Aided Education and Training Initiative [CAETI]. This program has been authorized for each of the preceding 3 years, and the research and development it has funded has advanced the state of educational software, and the level of training software available to all of the branches of our Armed Forces.

My amendment would authorize $10 million in fiscal year 1997 University Research Initiative funds—where the program has historically been funded—to continue the successful research currently being funded. Because my amendment sets aside funds from an existing account, it does not require an offset.

The CAETI program supports high-level academic research and development of computer and networking tools. Projects funded under the CAETI program have been specifically chosen for their dual benefit to the Department of Defense Dependent School system, and to the Armed Forces for military training.

The Department of Defense estimates that the tools developed under the CAETI program will markedly improve student performance in the DOD schools, as well as teacher performance. Because of greater efficiency, DOD estimates that the development of software and networking technology under the CAETI program will result in a net savings of 65 percent in the cost of education and training.

As military downsizing continues, there is a continual need to provide training to our troops whenever needed and where ever they are stationed. This is especially relevant for the reserve forces who often have civilian occupations very different from their military jobs. Only through the application of high technology distance learning will both the active and reserve forces be able to meet their readiness requirements. The CAETI program is designed to help meet this challenge.

I would like to talk for a minute about one of the projects being funded by CAETI in my home State of Illinois. The Institute for the Learning Sciences at Northwestern University [ILS] has a contract to develop educational software for use in the Department of Defense Dependent Schools.

The ILS research is based on high-level, academic research. The ILS develops models of how we learn most efficiently and most effectively based on empirical evidence and the latest research in cognitive science and educational theory. They then create software programs around these models. The result is education and training software that helps people learn what they need to know more quickly and more effectively.

Training software developed by the ILS is already in use by large corporations like Andersen Consulting and Ameritech. The Army uses their software to train its intelligence officers.

The ILS is currently developing a software program for use in the school system, that will help students learn how to analyze complex information and recommend alternatives, as well as improve their writing skills.

The armed services has a long history of pioneering the development of advanced technology—technology that can later be applied to other facets of our lives. The CAETI program is no exception. The technology being developed under CAETI contracts will translate directly into our civilian schools and to various industries.

I urge all of my colleagues to support this amendment, and support the development of advanced computer and networking technology.

Mr. McCAIN. I believe this amendment has been cleared by the other side.

Mr. LEVIN. The amendment has, indeed, been cleared.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4383) was agreed to.

Mr. McCAIN. Madam President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4384

(Purpose: To require that operational support airlift aircraft excess to the requirements of the Department of Defense be placed in an inactive status and stored at Davis-Monthan Air Force Base pending any study or analysis of the costs and benefits of operating or disposing of such aircraft)

Mr. LEVIN. I send an amendment to the desk in my own behalf and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 4384.

The amendment is as follows:

At the end of subtitle F of title X add the following:

SEC. 1072. OPERATIONAL SUPPORT AIRLIFT AIRCRAFT.

(a) STATUS OF EXCESS AIRCRAFT.—Operational support airlift aircraft excess to the requirements of the Department of Defense shall be placed in an inactive status and stored at Davis-Monthan Air Force Base, Arizona, pending the completion of any study or analysis of the costs and benefits of disposing of or operating such aircraft that precedes a decision to dispose of or continue to operate such aircraft.

(b) OPERATIONAL SUPPORT AIRLIFT AIRCRAFT DEFINED.—In this section, the term ''operational support airlift aircraft'' has the meaning given such term in section 1086(f) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 458).

Mr. LEVIN. Madam President, this amendment will require the Department of Defense to retire certain operational support airlift aircraft while it studies the ultimate disposition of that aircraft that is excess to the needs of the Department of Defense.

Mr. McCAIN. Madam President, the amendment has been cleared by this side.

Mr. McCAIN. Madam President, has the amendment been adopted?

The PRESIDING OFFICER. It has not.

Without objection, the amendment is agreed to.

The amendment (No. 4384) was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote.

Mr. McCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCAIN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there objection?

Mr. LAUTENBERG. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued with the call of the roll.

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

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

MORNING BUSINESS

Mr. McCAIN. I ask unanimous consent that there now be a period for the transaction of routine morning business.

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

TRAGEDY IN SAUDI ARABIA

Mr. CAMPBELL. Madam President, as the bodies of the servicemembers killed in Tuesday's terrorist attack in Saudi Arabia arrive today at Dover Air Force Base, I join my colleagues in expressing my deepest condolences to those families who must now endure the pains of this senseless tragedy. Words cannot adequately express the sorrow our Nation feels for the loss of these soldiers who have made this ultimate sacrifice in service to our country. Fortunately, none of the nearly 40 service people from Colorado who were caught in this terrorist bombing were killed, although some sustained serious injuries.

It is my sincere hope that the cowardly extremists responsible for this horrendous act are soon caught and swiftly brought to justice. I trust my colleagues in this Chamber will work closely with the administration and the Saudi Government to ensure their apprehension. I am also hopeful that the necessary actions will be taken to prevent any future assaults on the service men and women who guard and protect the peace not only in this region but throughout the world.

MEMORIAL TO RANDY BELLINGHAM

Mr. BAUCUS. Mr. President, I want to talk today about a friend, Randy Bellingham, who lived life to the fullest—in his work, in his play, in his personal relationships. And because of the way he lived, the sense of loss for those who knew him, is that much greater.

He was a decorated combat veteran of Vietnam. He was an avid outdoorsman. He was a superb lawyer. He was a cancer survivor. And he was a dedicated father. But to simply look at these achievements and call Randy a great man would not be doing him justice.

Randy will best be remembered for what he gave to those around him. His honesty, strength, courage, and understanding are qualities that brightened the days and lives of those he worked with and loved. Though he was a busy man, he took the time to counsel those who suffered from cancer. Randy used his own experiences combatting the disease to help ease the pain of others. He changed the lives of everyone he knew. And now we are living monuments to his life. We will carry the memory of this great man with us in our hearts and in our minds always.

There is no remedy for the pain we feel when we lose a friend in the prime of his life. We search for meaning in such events, and pray that God has some higher purpose. I do not claim to know the answer to such questions. But I do know that Randy made the very most of every day of his life. And to me, that is the greatest achievement one can claim.

Sadly, Randy leaves behind a young family, his wife Mary Ann and his daughter Brynn. They should be very proud of the life Randy lived. He will be sorely missed. Thank you.

SENSELESS VIOLENCE IN SAUDI ARABIA

Mr. BAUCUS. Madam President, like so many Americans, I have watched with horror and anger the news accounts of the senseless act of violence in Dhahran, Saudi Arabia which has claimed the lives of 19 of our Nation's best and brightest young men and women and shattered the lives of so many others.

Across the Nation and in my own State of Montana we all feel the impact of this tragedy. Great Falls, MT, is the home of Malmstrom Air Force Base and the 341st Missile Wing. Twenty-three dedicated members of the 341st Missile Wing were deployed at King Abdul Aziz Air Force Base the night of the bombing and 5 soldiers were injured in the blast. Fortunately, we have now learned that their injuries are not serious.

I know all Montanans join me in offering our best wishes for a full recovery to Capt. Stephen Goff, A1c Daniel D. Hazell, AB Christopher T. Wagar, A1c Dennis A. Kuritz, and A1c Roger K. Kaalekahi IV. T.Sgt. James Rangitsch, originally of Billings, MT, was also injured in the blast and our best wishes go out to him and his family as well as his mother Dorothy Rangitsch, also of Billings.

We have all felt the pain of this horrible tragedy. The thoughts and prayers of all Montanans and all Americans are with the families of those who have lost their lives and those who are now burdened by injury. For those young men and women who have been taken from us too soon, we must resolve that these senseless acts of terror will not go unpunished and the perpetrators of the bombing in Dhahran will be brought to justice.

YANKTON DAILY PRESS & DAKOTAN CELEBRATES 135 YEARS

Mr. DASCHLE. Madam President, today I offer my congratulations to the Yankton Daily Press & Dakotan, the oldest daily newspaper in South Dakota.

For the last 135 years, Press & Dakotan has served the public interest by providing reliable local news to the residents of southeastern South Dakota. When the Press & Dakotan was founded in the Missouri River community of Yankton in 1861, the Dakota Territory was barely organized. Moving west, many early pioneers settled near the River and the Press & Dakotan, then known as the Weekly Dakotian, was there to serve them.

Over the years, the Press & Dakotan has recorded great national events from the end of the Civil War to the launch of the Space Shuttle. It has kept its readers informed with first-hand accounts of the Indian wars of the 1870's, the Depression of the 1930's, and the astounding economic growth experienced by Yankton throughout the 1990's. Fifteen other newspapers have come and gone in Yankton since 1861, but the Press & Dakotan has always been present to witness and record South Dakota's history. By persevering, it has etched out a tiny piece of history for itself.

South Dakotans depend on their hometown newspapers to provide updated local information. The residents of Yankton are no exception. The Press & Dakotan has a proven track record as a constant and reliable source for local information and it has served its community well. It has exhibited a remarkable ability to change with the times and is poised for new growth and development in the 21st century.

Once again, I applaud the Press & Dakotan for the hard work and commitment it took to reach this important milestone. I know the next 135 years will be just as successful.

TRIBUTE TO NORTH DAKOTA AIR FORCE PERSONNEL INJURED IN BOMBING IN DHAHRAN, SAUDI ARABIA

Mr. CONRAD. Madam President, I rise today to express my deep condolences to the families of the 19 Americans who the Air Force reports were killed in Tuesday's blast in Dhahran, Saudi Arabia. I know that the thoughts and prayers of all Senators are also with the more than 300 people who were injured and their families, but I would like to make my colleagues aware that 3 of those who were wounded serve in my State, North Dakota.

Madam President, approximately 60 Air Force personnel from air bases in Minot and Grand Forks in my home State are currently in the Persian Gulf theater. Many of them have been serving on a temporary basis in Dhahran with the 4404th Composite Wing, which is helping to enforce the no fly zone over Iraq. In light of reports that reverberations from the blast were felt nearly a hundred miles away in Bahrain, we must be thankful that more people were not killed, and that the three individuals from Grand Forks AFB who were hurt suffered only very minor injuries. It is my understanding that they have had an opportunity to speak with their families, and have been given necessary medical care.

Although the names of the injured are being withheld for the time being, I want to take this opportunity to pay tribute to the fine work that these injured servicemembers and all North Dakota personnel in the Gulf have done for our country. Duty in the Persian Gulf is, by all accounts, an extremely challenging assignment. The desert environment is unyielding, and the culture is vastly different from what servicemembers are used to in the United States. Tuesday's blast also reminds us of the area's political instability, and the fact that the gulf is one of the few places in the post-cold war world where American forces daily face the real threat of attack.

In the face of these challenges, personnel from the Grand Forks and Minot bases have performed extremely well. They have been a tribute to their fine installations, our State, the U.S. Air Force, and our country. I am proud of every member of the Air Force assigned to North Dakota, and offer my special thanks to the men and women from Minot and Grand Forks who are in the gulf today. It is because of your vigilance and hard work that all of us back home can sleep well at night.

President Clinton and Saudi authorities have vowed that those responsible for this shameful attack will be brought to justice, and I echo their sentiments that this cowardly act will not sway our resolve in the gulf. I have no doubt that North Dakota's personnel in the region will play an outstanding role in dealing with the aftermath of the blast, and on behalf of my colleagues in the Senate, wish to extend my sincere wishes for a quick recovery to the 3 servicemembers from Grand Forks AFB who were injured.

A TRIBUTE TO THOSE WHO SERVED AND DIED IN SAUDI ARABIA

Mr. ASHCROFT. Madam President, I rise today to condemn the June 25 cowardly terrorist attack which claimed the lives of 19 United States Air Force members at the Khobar Barracks near Dhahran, Saudi Arabia. The explosion which killed these men and injured 106 others was a heinous crime for which those responsible must be held accountable. The message must be sent that the United States will not tolerate conduct of this nature and our commitment to preventing future terrorist attacks in Saudi Arabia and elsewhere must be stronger than ever before.

Today, we honor the service and sacrifice of those who were killed or injured in this attack. We mourn the loss of some of our Nation's finest service members and pray that God will comfort those closest to them in time of grief. We are also thankful for those who continue to serve in a land far from their own in the defense of the United States and its allies and we commit ourselves to taking whatever action is necessary to ensure their continued safety.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, at the close of business yesterday, Wednesday, June 26, 1996, the Federal debt stood at $5,118,103,732,700.15.

On a per capita basis, every man, woman, and child in America owes $19,301.59 as his or her share of that debt.

LEONARD PELTIER

Mr. INOUYE. Madam President, I rise today in recognition of events which are taking place in the Capitol today concerning the cause of a native American, Mr. Leonard Peltier.

For over 20 years, Mr. Peltier has been imprisoned for a crime that the Government now appears to be admitting Mr. Peltier may not have committed.

I first became interested in this case when I viewed a documentary on one of the network television news programs in which, much to my surprise, the prosecuting attorney evinced some pride in the fact that at trial, the defense did not request and the prosecution did not produce certain exculpatory ballistics evidence which may have well effected a different outcome in the jury's verdict.

Although it has been many years since I served as a prosecutor, at that time, a defendant was entitled to the production of all of the evidence that might be used against him by the prosecution, and to my knowledge the law has not changed in that regard.

Thereafter, I learned that Mr. Peltier had been extradited from Canada on the basis of affadavits of eyewitnesses who later admitted that their testimony was not truthful. Although the Government apparently knew of the false nature of these affadavits, they were nonetheless presented to the Government of Canada as the basis for extradition.

Over the ensuing years, it has been my belief that if these facts of apparent misconduct on the part of the government could be disproved, it would serve the interest of justice to have a full review of all of the actions and proceedings leading up to and resulting in Mr. Peltier's incarceration.

Accordingly, I called upon President Bush to initiate such a review, and it is my understanding that a hearing examiner of the U.S. Parole Commission undertook such a review.

Thereafter, in December 1995, I am told that a hearing was held in which the prosecuting attorney in the Peltier case acknowledged that the Government could not be certain who was responsible for the murder of two FBI agents on the Pine Ridge Indian Reservation on June 26, 1975, and that rather than having evidence which

would support the theory that Mr. Peltier fired at the agents at close range, the most the Government could say was that Mr. Peltier may have been firing shots at long range in the direction from which other gunfire was emanating and that in so doing, he may have aided and abetted those who were in fact responsible for the murders.

Thus I was surprised to learn the Parole Commission ultimately concluded that ''the government has not changed its position that circumstantial evidence presented at your trial established your complicity in the execution of the agents.''

Even more surprising, given that Mr. Peltier has consistently maintained his innocence of the crime with which he was charged, is the Parole Commission's finding that ''[Mr. Peltier] has not given a factually specific account of your actions at the time of the offenses that is consistent with the jury's verdict of guilt, considering either theory of your participation in the crimes outlined by the government at trial.''

Madam President, in the 8 years that I served as chairman of the Committee on Indian Affairs, the committee received literally thousands of letters each week from citizens of almost every country on this globe, calling upon the United States to examine the facts and circumstances surrounding Mr. Peltier's conviction and subsequent incarceration, and urging clemency.

International attention continues to be focused on what is seen by many as a matter of human rights.

Madam President, it is my hope that one day soon, a nation which prides itself on being an open society will find it appropriate to reexamine Mr. Peltier's case in all of its aspects. If there is nothing to hide, as honorable men and women, we can do no less.

If we find that we have been holding the wrong man accountable for these heinous crimes, let us renew our efforts to find the real culprits, and let an innocent man live out the remaining years of his life as a free man.

WELFARE AND MEDICAID REFORM

Mr. ROTH. Madam President, it has been stated countless times that the American people want three things: real welfare reform, a balanced budget, and compromise, if necessary to get the job done. Yesterday, the Finance Committee approved S. 1795, the Personal Responsibility and Work Opportunity Act of 1996. This legislation reflects the will of the American people on all three of these issues.

Let me first address bipartisanship and compromise. This past February, the Nation's Governors gathered in Washington and approved two resolutions dealing with welfare reform and Medicaid. Their efforts were lauded across the country, including by President Clinton.

For more than 3 years, President Clinton has been saying that, ''what keeps people on welfare is the cost of health care and child care for their kids.''

Under S. 1795, we are providing more child care funding than under current law and more mandatory child care funding than President Clinton has proposed. This legislation will help families make that all important transition into the work force.

When the Democratic and Republican Governors were working together on welfare and Medicaid reform, he did not tell the Governors to abandon their efforts because he would not sign Medicaid reform. In fact, he encouraged them. On the eve of the NGA proposal, the President encouraged the bipartisan Governors' group to ''try to reach agreement on a number of issues that are important to your people and to us here in Washington, including Medicaid and welfare * * *''.

In order to protect the President from his own words, many Democrats are now demanding that welfare be separated from Medicaid. The Governors understand there is no real welfare reform without Medicaid reform.

The compromise forged last February was supported by the most liberal Governor and the most conservative Governor and everyone in between. No one liked everything, but there was something for everyone in these resolutions. That is the essence of bipartisanship.

On May 22, I introduced S. 1795, the Personal Responsibility and Work Opportunity Act of 1996. An identical bill was introduced in the House of Representatives by Chairman ARCHER and Chairman BLILEY.

My colleagues in the House and I made every effort to meet the goals adopted by the Democratic and Republican Governors.

Last week, members of the Finance Committee submitted 163 amendments to S. 1795. There were 53 Republican amendments and 110 Democrat amendments. Based on the Finance Committee work, S. 1795, as amended, includes more than 50 Democratic amendments.

Nearly half of the Democratic amendments offered are included in this legislation.

Turning to the subject of welfare reform itself, it is critical to not lose sight of the overall goal of this legislation. That goal is to replace a system which has failed the very people it was intended to serve. The Governors understand that there is no real welfare reform without also restructuring Medicaid. Democratic and Republican Governors alike understand that Medicaid reform is a critical component of moving families from welfare to work.

More than 3 years ago, President Clinton told the Nation's Governors that,

> * * * many people stay on welfare not because of the checks * * * they do it solely because they do not want to put their children at risk of losing health care or because they do not have the money to pay for child care * * *.

This is precisely the purpose of S. 1795.

Madam President, there is plenty of talk coming from the other side of the aisle that the Governors and State legislatures cannot wait to abandon the children in their State. That is nonsense. If a family stays on welfare, that family will bet both a welfare check and Medicaid. Under this reform proposal, the States have greater incentives to expand Medicaid coverage and help prevent families from being forced onto the welfare rolls in the first place. Reform is a critical component of getting those now on welfare off of cash assistance.

The Governors also understand that under current law, Medicaid is an all or nothing proposition. The current system contains built-in incentives for families to impoverish themselves in order to qualify for Medicaid.

The Governors also understand that under today's all or nothing scheme, a lot of low-income working families get nothing. As if to add insult to injury, many low-income families are paying for the benefits a welfare family is getting while their own children go without coverage.

Medicaid is an important program for our elderly citizens in terms of long-term care coverage. But the current system is far from perfect in serving our senior citizens. The current system forces elderly citizens into poverty even before any benefits can be provided.

Our senior citizens often do not receive the most appropriate services because the current system, run under rules dictated by the Federal Government, is not flexible enough. What is good for the bureaucracy is not necessarily good for the individual. S. 1795 will give the States greater flexibility to redesign benefits so that our senior citizens can be better served.

The Clinton administration is scaring the elderly and hiding behind children. The very idea that the current system must remain in place in order to protect our vulnerable citizens from their Governors and State legislators is not only insulting. It is wrong. More than half of the money being spent on Medicaid is there solely because the States have chosen to provide optional benefits and extend optional coverage to a greater number of people.

The administration is trying to scare people with a convoluted argument that S. 1795 lacks a Federal guarantee. This argument is completely hollow. As Secretary Shalala acknowledged to the Finance Committee earlier this month, the States could take nearly $70 billion today out of the current Medicaid system without needing her approval.

S. 1795 did not create the linkage between welfare and Medicaid. That was done more than 30 years ago when Medicaid was created.

This legislation meets the four primary goals of the NGA Medicaid resolution:

First, the basic health care needs of the Nation's most vulnerable populations must be guaranteed.

S. 1795 guarantees coverage and benefits for poor children, children in foster care, pregnant women, senior citizens, persons with disabilities, and families on welfare.

If anything, the legislation goes beyond the NGA resolution in terms of setting guarantees. Yesterday we extended those Medicaid guarantees even further to phase-in coverage of children ages 13 to 18.

We also extended coverage to families leaving welfare. The modification also requires states to provide health coverage under the new Medicaid program for 1 year to families leaving welfare to go into the work force.

Second, the growth in health care expenditures must be brought under control.

While slowing the rate of growth, the Federal commitment to Medicaid remains intact. Even after reform, Medicaid spending will rise faster than Social Security.

The Federal Government will spend an estimated $827.1 billion between 1996 and 2002 on Medicaid, an average annual increase of approximately 6 percent.

We have met the President halfway in terms of Medicaid savings. The difference between us is less than 2 percent of total Federal cost of Medicaid.

That is a difference of about two dimes a day per beneficiary.

The American people should fully understand that the critical difference between President Clinton and this legislation is not about the level of spending. The difference between us is who controls the spending. The fundamental issue is whether or not the Governors and State legislators and judges can do a better job in running the $2.4 trillion welfare system than the bureaucracy in Washington.

The essence of the administration's opposition to S. 1795 is that the States cannot be trusted. The Clinton plan is built on the premise that Washington must control the decision making.

This goal of the Governors also goes directly to issue of a balanced budget, the third major issue of concern to the American people. Simply put, the Federal budget cannot be balanced without Medicaid reform. It is the third largest domestic program in the Federal budget. It costs more than AFDC, food stamps, and SSI combined.

Medicaid reform is also critical to balancing State budgets and priorities. One out of every $5 spent by the State goes to Medicaid. The National Association of State Budget Officers reports that Medicaid surpassed higher education as the second largest program in 1990.

If nothing changes, Medicaid spending may soon overtake elementary and secondary education spending as well.

To those taxpayers who are wondering why there is not more money for schools, to repair roads, and build bridges, a large part of the answer is the uncontrolled spending of Medicaid.

Third, States must have maximum flexibility in the design and implementation of cost-effective systems of care.

Among a number of provisions in meeting this goal, S. 1795 repeals the Boren amendment as requested by the Governors.

It frees the States from Federal restrictions which impede the movement into managed care.

Fourth, States must be protected from unanticipated program costs resulting from economic fluctuations in the business cycle, changing demographics, and natural disasters.

S. 1795 includes an open-ended supplemental umbrella mechanism to provide additional funds for unexpected growth in guaranteed populations as well as certain specified optional populations.

This legislation achieves each of these goals.

It will replace a failed welfare system in which dependence is measured in generations and illegitimacy is the norm, with a system that encourages work and helps keep families together.

This legislation will return power and flexibility to the states, while retaining guarantee of a safety net for the most vulnerable populations.

Thirty-nine months ago, President Clinton promised the Nation's Governors and the American people that he would end welfare as we know it. Nothing happened.

He abandoned welfare reform and instead pursued a misguided attempt to take government control over the world's finest health care system. It didn't work.

Yesterday, the Finance Committee reported out legislation which will deliver on the promise of welfare reform and expand health coverage to many low income families.

After 30 years, we know that Washington does not know how to build strong families. It is time to end the incentives for staying in poverty. It is time to end a system in which welfare pays more than work.

Over 5 years, a typical welfare family receives more than $50,000 in tax free benefits. In a number of States, the benefits are significantly higher. It is appropriate to set a time limit on benefits and say enough is enough.

There is now little difference between this plan and the President's own plan in terms of Federal spending levels on Medicaid.

Secretary Shalala appeared before the Finance Committee earlier this month and acknowledged the President proposed to cut Medicaid by $59 billion.

Republican Governors have compromised. Democratic Governors have compromised. The legislation approved by the Finance Committee yesterday is a compromise.

There have been ample reference to political motivations launched by the other side of the aisle about the linkage between welfare and Medicaid. It is time to question why, after all of these changes, the President would not sign authentic welfare reform which includes Medicaid.

Last January, President Clinton vetoed welfare reform which did not include Medicaid.

In doing so, he also veto a bill which provided more support, including child care, for welfare families than his own legislation does.

H.R. 4 did not include Medicaid. But it did include the sweeping child support enforcement reform for which millions of American families are waiting. This legislation, again included in S. 1795, goes light years beyond anything the President could ever accomplish solely through administrative actions. How many thousands of children will remain in poverty or under the threat of poverty for at least another 6 months because they will not receive cash assistance and medical insurance of their absent parent as a result of President Clinton's vetoes?

Earlier this year, President Clinton declared that the era of big government is over. His action on this legislation will determine whether indeed that time is here.

This legislation will be a test to see if President Clinton is truly committed to ending the era of big government. Nothing could demonstrate a true allegiance to this pledge better than to return the responsibility and authority for welfare programs, including Medicaid, to the States.

UNITED STATES-JAPAN AVIATION RELATIONS: PROGRESS OR PROTECTIONISM

Mr. PRESSLER. Madam President, in recent months the Government of Japan publicly has indicated its desire to move forward in United States-Japan aviation relations by expanding air service opportunities. Given that Japan is our second largest aviation trading partner overseas and is the gateway to the booming Asia-Pacific market, these statements are encouraging news for consumers on both sides of the Pacific. Regrettably, Japan's actions speak much louder than its words.

While Japan certainly talks about progress, it has prevented any real progress from taking place by continuing to prohibit several of our carriers from serving various United States-Asia markets via Japan despite a clear right to do so guaranteed by the United States-Japan bilateral aviation agreement. In fact, Japanese negotiators seem more intent on protecting intra-Asian air service markets for Japanese carriers by blocking out United States carrier competitors than they are in opening the United States-Japan aviation market. That certainly was evident in air service talks earlier this month in Tokyo.

Japanese negotiators must make a choice. They must choose between progress or protectionism. More fundamentally, Japan must choose whether to embrace the future of global air service or unwisely cling to the past. In our ongoing air service talks with the Japanese, the United States is rightly requiring the Japanese to make that choice: Japan must meet its present

obligations and stop wrongly protecting its air service markets before a new treaty can be discussed.

Other countries faced with that same decision overwhelmingly have chosen progress. Over the past 2 years, over 20 nations have signed more liberal aviation accords with the United States. No wonder. The economic benefits flowing from an opening of air service opportunities can be enormous. Our recent phased-in open skies agreement with Canada dramatically makes this point. Since that signing, the United States-Canada aviation market has generated an additional 1 million passengers and a remarkable $2 billion in economic activity on both sides of the border. In terms of enhanced consumer choice, nearly 50 city-pair markets have received first time scheduled service and another 14 city-pair markets have received additional competition. These benefits will surely grow as the remaining barriers are phased out. In fact, the United States Department of Transportation estimates from 1995 through 2000, the cumulative economic benefits of this accord to both countries will be $15 billion.

In contrast, some countries such as France have chosen protectionism thereby foregoing the economic benefits of further liberalization. While air service markets around France have grown significantly in recent years as those countries have opened their markets, the French air service market has been stagnant. In fact, last year combined passenger traffic at the two major Paris airports fell nearly 1 percent. Is it any wonder Air France has accumulated losses totaling $3.3 billion since 1990, and continues to have operating costs among the highest in the world? As the French experience unmistakably shows, in today's global economy a protectionist air service policy is economic folly.

Fortunately, most countries are rejecting the protectionist path. For instance, most recently 18 member economies of the Asia Pacific Economic Cooperation [APEC] organization voted specifically to add aviation to the list of core industries designated for liberalization, and the European Union has been given a limited mandate by member States to negotiate an open skies agreement with the United States. Nevertheless, there are major United States trading partners in addition to France, such as Japan and the United Kingdom, that continue to resist change.

Madam President, in Japan's case the reasons are evident. For nearly two decades cost inefficiency has caused Japanese carriers to become less competitive and to lose their market share even on Asian and Pacific routes that are not open to significant competition. Japan's chief aviation policy makers at the Ministry of Transportation [MOT] have responded to the challenge negatively, creating operational obstacles for U.S. carriers and demanding increasingly restrictive limitations on its originally open 1952 Air Transport Agreement with the United States.

And therein lies the heart of the problem confronting the United States delegation in the aviation talks. The issue is both philosophical and economic. Japan is convinced its airlines cannot compete for Asian markets whose annual passenger volume is expected to triple—and account for more than half the world's traffic—by 2010. The United States, on the other hand, has to be concerned that, as the Economic Strategy Institute concluded recently, the loss of its competitive aviation presence in the booming Asia-Pacific market would cost this country $5 billion in trade receipts annually and hundreds of thousands of United States jobs. Incredibly, the MOT's approach—in contradiction to the Japanese Government's stated goal in virtually all other sectors—is to eliminate competition from highly cost-efficient United States airlines. In pursuit of this short-sighted policy, the MOT has threatened sanctions to penalize carriers that are only exercising their rights. Thus, Japan is caught in a trap. The restrictions it has imposed over the years have prevented its airlines from becoming more efficient, and now the MOT believes it has to protect them if they are to compete in Asia.

Nonetheless, to the United States, the MOT's intransigence poses a series of inescapable dilemmas. It cannot ignore Japan's refusal to abide by the 1952 agreement without setting a very dangerous precedent for all of our other international agreements. It cannot concede more treaty modifications or restrictions without surrendering the few rights left to United States carriers and accepting Japanese control over the United States presence in many United States/Asian aviation markets. It cannot stand passively by while Japanese carriers expand service in those very same markets to which United States carriers are wrongly denied access. And, ultimately, the United States cannot yield to Japan's protectionist policy without abandoning its long-standing commitment to the principle that open competition in a free market environment is the only way to advance the best interests of consumers, countries, communities, and carriers that together shape a global and interdependent economy.

Thus far, United States negotiators are standing firm in defending that critically important principle despite intense pressure exerted by Japan directly and indirectly. As the talks proceed, our representatives deserve our complete support. We can hope only that their efforts will lead to Japan's realization that protectionism is inevitably an obsolete trading weapon capable of serving no one but of causing great harm.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 1:06 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1903. An act to designate the bridge, estimated to be completed in the year 2000, that replaces the bridge on Missouri highway 74 spanning from East Girardeau, Illinois, to Cape Girardeau, Missouri, as the ''Bill Emerson Memorial Bridge,'' and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

The message also announced that the Speaker, pursuant to the provisions of Resolution 459, appoints to Funeral Committee of the late Hon. Bill Emerson the following Members on the part of the House: Mr. CLAY of Missouri, Mr. GINGRICH of Georgia, Mr. GEPHARDT of Missouri, Mr. BOEHNER of Ohio, Mr. SKELTON of Missouri, Mr. VOLKMER of Missouri, Mr. HANCOCK of Missouri, Ms. DANNER of Missouri, Mr. TALENT of Missouri, Ms. MCCARTHY of Missouri, Mr. MONTGOMERY of Mississippi, Mr. HALL of Ohio, Mr. LEWIS of California, Mr. HUNTER of California, Mr. ROBERTS of Kansas, Mr. WOLF of Virginia, Mr. KANJORSKI of Pennsylvania, Mr. MCNULTY of New York, Mr. POSHARD of Illinois, Mr. MORAN of Virginia, Mrs. LINCOLN of Arkansas, Mr. CHAMBLISS of Georgia, Mrs. CUBIN of Wyoming, and Mr. LATHAM of Iowa.

At 2:48 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 3525) to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property.

At 8:42 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 192. Concurrent resolution providing for an adjournment of the two Houses.

The message also announced that the House has passed the following bill, in

which it requests the concurrence of the Senate:

H.R. 3666. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3666. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes; to the Committee on Appropriations.

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–3178. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on Regular Trade Adjustment Assistance; to the Committee on Finance.

EC–3179. A communication from the President of the United States, transmitting, pursuant to law, a report concerning an extension of waiver authority; to the Committee on Finance.

EC–3180. A communication from the Chairman of the Social Insurance Committee of the American Academy of Actuaries, transmitting, pursuant to law, the report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for calendar year 1996; to the Committee on Finance.

EC–3181. A communication from the Chair of the Physician Payment Review Commission, transmitting, pursuant to law, the report entitled ''Monitoring Access of Medicare Beneficiaries and Monitoring the Financial Liability of Medicare Beneficiaries''; to the Committee on Finance.

EC–3182. A communication from the Chief of Staff of the Office of the Commissioner of Social Security, transmitting, pursuant to law, the rule entitled ''Payment For Vocational Rehabilitation Services Furnished Individuals During Certain Months of Nonpayment of Supplemental Security Income Benefits,'' (RIN0960-AD39) received on June 17, 1996; to the Committee on Finance.

EC–3183. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to value units for the full range of pediatric physicians' services; to the Committee on Finance.

EC–3184. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a final rule entitled ''Health Maintenance Organizations,'' (RIN0938–AE64) received on June 10, 1996; to the Committee on Finance.

EC–3185. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the status of the implementation and evaluation of social health maintenance organization demonstration; to the Committee on Finance.

EC–3186. A communication from the Assistant Secretary of the Treasury (Tax Policy), transmitting, a draft of proposed legislation to amend the Internal Revenue Code; to the Committee on Finance.

EC–3187. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to amend section 304 of the Tariff Act of 1930; to the Committee on Finance.

EC–3188. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Miscellaneous Regulations Relating to Liquor,'' (RIN1512-AB44) received on June 18, 1996; to the Committee on Finance.

EC–3189. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''The Extension of the Paso Robles Viticultural Area,'' (RIN1512-AA07) received on June 19, 1996; to the Committee on Finance.

EC–3190. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''The Malibu-Newton Canyon Viticultural Area,'' (RIN1512-AA07) received on June 21, 1996; to the Committee on Finance.

EC–3191. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a statement of procedural rules (RIN1512–AB53) received on June 21, 1996; to the Committee on Finance.

EC–3192. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Taxpaid Distilled Spirits Used in Manufacturing Products Unfit for Beverage Use,'' (RIN1512–AA20) received on June 24, 1996; to the Committee on Finance.

EC–3193. A communication from the Chief of Regulations Unit, Department of Treasury, transmitting, pursuant to law, the report of temporary regulations entitled ''Extensions of Time to Make Elections,'' (RIN1545–AU41) received on June 26, 1996; to the Committee on Finance.

EC–3194. A communication from the Chief of Regulations Unit, Department of Treasury, transmitting, pursuant to law, the report of temporary regulations entitled ''Regulations Under Section 382 of the Internal Revenue Code of 1986,'' (RIN1545–AU37) received on June 26, 1996; to the Committee on Finance.

EC–3195. A communication from the Chief of Regulations Unit, Department of Treasury, transmitting, pursuant to law, the report of temporary regulations entitled ''Consolidated returns-Limitations on the use of certain losses and deductions,'' (RIN1545–AU35) received on June 26, 1996; to the Committee on Finance.

EC–3196. A communication from the Chief of Regulations Unit, Department of Treasury, transmitting, pursuant to law, the report of temporary regulations entitled ''Regulations Under Section 1502 of the Internal Revenue Code of 1986,'' (RIN1545–AU36) received on June 26, 1996; to the Committee on Finance.

EC–3197. A communication from the Chief of Regulations Unit, Department of Treasury, transmitting, pursuant to law, the report of Revenue Procedure 96–37; to the Committee on Finance.

EC–3198. A communication from Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Basic Permit Requirements Under the Federal Alcohol Administration Act, Nonindustrial Use of Spirits and Wine, Bulk Sales and Bottling of Distilled Spirits,'' (RIN1512–AB43) received on June 10, 1996; to the Committee on Finance.

EC–3199. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, Notice 96–35 entitled ''Regulatory Reinvention Initiative,'' received on June 17, 1996; to the Committee on Finance.

EC–3200. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the Revenue Ruling 96–34 entitled ''Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property,'' received on June 19, 1996; to the Committee on Finance.

EC–3201. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the Revenue Procedure 96–34 received on June 11, 1996; to the Committee on Finance.

EC–3202. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the Treasury regulation entitled ''Modification of Bad Debts,'' (RIN1545–AT14) received on June 25, 1996; to the Committee on Finance.

EC–3203. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the Treasury regulation entitled ''Modification of Debt Instruments,'' (RIN1545–AR04) received on June 25, 1996; to the Committee on Finance.

EC–3204. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the Treasury regulation entitled ''Debt Instruments with Original Issue Discount,'' (RIN1545–AQ86, 1545–AS35) received on June 25, 1996; to the Committee on Finance.

EC–3205. A communication from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the rule relative to the Visa Waiver Pilot Program, (RIN1115–AB93) received on June 26, 1996; to the Committee on the Judiciary.

EC–3206. A communication from the Acting General Sales Manager and Acting Vice President, Commodity Credit Corporation, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a rule concerning the Commodity Credit Corporation Supplier Credit Guarantee Program, (RIN0551–AA30) received on June 25, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3207. 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 26, 1996; to the Committee on Governmental Affairs.

EC–3208. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, the rule entitled ''Federal Energy Management and Planning Programs,'' (RIN1991–AA80) received on June 26, 1996; to the Committee on Energy and Natural Resources.

EC–3209. A communication from President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a notice relative to U.S. exports to Russia for a storage terminal project; to the Committee on Banking, Housing, and Urban Affairs.

EC–3210. A communication from the Acting Director of the Defense Security Assistance

Agency, transmitting, pursuant to law, a report concerning military education and training to the Dominican Republic; to the Committee on Foreign Relations.

EC–3211. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–3212. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the report of informational copies of two lease prospectuses; to the Committee on Environment and Public Works.

EC–3213. A communication from the Chief Financial Officer of the Department of Energy, transmitting, pursuant to law, the report of a detailed description of the compliance activities undertaken by the Department for mixed waste streams; to the Committee on Environment and Public Works.

EC–3214. A communication from the Director of the Office of Congressional Affairs, U.S. Nuclear Regulatory Commission, transmitting, pursuant to law, the rule entitled ''Production and Utilization Facilities,'' (RIN3150–AF20) received on June 13, 1996; to the Committee on Environment and Public Works.

EC–3215. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a final rule concerning reclassification of the Saltwater Crocodile Population in Australia, (RIN1018–AC30) received on June 17, 1996; to the Committee on Environment and Public Works.

EC–3216. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a final rule concerning the Ohio River Islands National Wildlife Refuge, (RIN1018–AD43) received on June 17, 1996; to the Committee on Environment and Public Works.

EC–3217. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a final rule concerning the Great Bay National Wildlife Refuge, (RIN1018–AD44) received on June 17, 1996; to the Committee on Environment and Public Works.

EC–3218. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Federal Operating Permits Program,'' (RIN2060–AD68) received on June 24, 1996; to the Committee on Environment and Public Works.

EC–3219. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules entitled ''Approval and Promulgation of Implementation Plans,'' (FRL5511–4, 5525–4) received on June 18, 1996; to the Committee on Environment and Public Works.

EC–3220. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of four rules entitled ''Hazardous Waste Management System,'' (FRL5529–1, 5464–7, 5516–7, 5528–4) received on June 25, 1996; to the Committee on Environment and Public Works.

EC–3221. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of seven rules entitled ''Regulation of Fuels and Fuel Additives,'' (FRL5522–2, 5519–2, 5524–4, 5524–9, 5456–4, 5523–7, 5526–4) received on June 20, 1996; to the Committee on Environment and Public Works.

EC–3222. A communication from the the Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the rule entitled ''The Postsecondary Education Program for Individuals with Disabilities,'' received on June 25, 1996; to the Committee on Labor and Human Resources.

EC–3223. A communication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, the report on the financial status of the railroad unemployment insurance system; to the Committee on Labor and Human Resources.

EC–3224. A communication from the Director of Regulations Policy, Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, a rule entitled ''Tin-Coated Lead Foil Capsules for Wine Bottles,'' received on June 19, 1996; to the Committee on Labor and Human Resources.

EC–3225. A communication from the Assistant Secretary for Occupational Safety and Health, Department of Labor, transmitting, pursuant to law, the rule entitled ''Consolidation of Repetitive Provisions,'' (RIN1218–AB53) received on June 19, 1996; to the Committee on Labor and Human Resources.

EC–3226. A communication from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a final rule entitled ''Reorganization, Renumbering, and Reinvention of Regulations,'' (RIN1212–AA75) received on June 25, 1996; to the Committee on Labor and Human Resources.

EC–3227. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of thirteen rules entitled ''Tolerance Exemption,'' (FRL5376–3, 5377–7, 5370–8, 5371–4, 5372–5, 5375–9, 5374–7, 5373–5, 5521–5, 5522–6, 5521–4, 5372–4, 5521–7) received on June 20, 1996; to the Committee on Environment and Public Works.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–639. A petition adopted by the Legislature of the State of Maryland; to the Committee on Governmental Affairs.

''HOUSE BILL 712

''TITLE III.—ARTICLE—TRANSPORTATION

''Section 10–204

''ARTICLE III

''Section 3

''There is hereby created the Washington Metropolitan Area Transit Zone which shall embrace the District of Columbia, the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax, and Loudoun and political subdivisions of the Commonwealth of Virginia located within those counties, and the counties of Montgomery and Prince George's in the State of Maryland and political subdivisions of the State of Maryland located in said counties.

''Section 5

''(a) The Authority shall be governed by a board of six directors consisting of two directors for each signatory. For Virginia, the directors shall be appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the Council of the District of Columbia; and for Maryland, by the Washington Suburban Transit Commission. For Virginia and Maryland, the directors shall be appointed from among the members of the appointing body, except as otherwise provided herein, and shall serve for a term coincident with their term on the appointing body. A director may be removed or suspended from office only as provided by the law of the signatory from which he was appointed. The appointing authorities shall also appoint an alternate for each director, who may act only in the absence of the director for whom he has been appointed an alternate, except that, in the case of the District of Columbia where only one director and his alternate are present, such alternate may act on behalf of the absent director. Each alternate shall serve at the pleasure of the appointing authority. In the event of a vacancy in the office of director or alternate, it shall be filled in the same manner as an original appointment.

''Section 8

''(a) Four directors or alternates consisting of at least one director or alternate appointed from each signatory, shall constitute a quorum and no action by the board shall be effective unless a majority of the board present and voting, which majority shall include at least one director or alternate from each signatory, concur therein; provided, however, that a plan of financing may be adopted or a mass transit plan adopted, altered, revised or amended by the unanimous vote of the directors representing any two signatories.

''ARTICLE VI

''Section 14

''(b) It shall be the duty and responsibility of each member of the board to serve as liaison between the board and the body which appointed him to the board. To provide a framework for regional participation in the planning process, the board shall create technical committees concerned with planning and collection and analyses of data relative to decision-making in the transportation planning proces and the mayor and council of the District of Columbia, the component governments of the Northern Virginia Transportation District and the Washington Suburban Transit District shall appoint representatives to such technical committees and otherwise cooperate with the board in the formulation of a mass transit plan, or in revisions, alterations or amendments thereof.

''Section 15

''(a) Before a mass transit plan is adopted, altered, revised or amended, the board shall transmit such proposed plan, alteration, revision or amendment for comment to the following and to such other agencies as the board shall determine:

''(1) The Mayor and Council of the District of Columbia, the Northern Virginia Transportation Commission and the Washington Suburban Transit Commission;

''(2) The governing bodies of the counties and cities embraced within the zone;

''(3) The transportation agencies of the signatories;

''(4) The Washington Metropolitan Area Transit Commission;

''(5) The Washington Metropolitan Council of Governments;

''(6) The National Capital Planning Commission;

''(7) The National Capital Regional Planning Council;

''(8) The Maryland-National Capital Park and Planning Commission;

''(9) The Northern Virginia Regional Planning and Economic Development Commission;

''(10) The Maryland Office of Planning; and

''(11) The private transit companies operating in the zone and the labor unions representing the employees of such companies and employees of contractors providing service under operating contracts.

''(b) A copy of the proposed mass transit plan, amendment or revision, shall be kept at the office of the board and shall be available for public inspection. Information with respect thereto shall be released to the public. After thirty days' notice published once a week for two successive weeks in one or more newspapers of general circulation within the zone, a public hearing shall be held with respect to the proposed plan, alteration, revision or amendment. The thirty-days' notice shall begin to run on the first day the notice appears in any such newspaper. The board shall consider the evidence submitted and statements and comments made at such hearing and may make any changes in the proposed plan, amendment or revision which it deems appropriate and such changes may be made without further hearing.

''ARTICLE VII

''*Section 18*

''(c) With respect to the federal government, the commitment or obligation to render financial assistance shall be created by appropriation or in such other manner, or by such other legislation, as the Congress shall determine. Commitments by the District of Columbia shall be by contract or agreement between the governing body of the District of Columbia and the Authority, pursuant to which the Authority undertakes, subject to the provisions of Section 20 hereof, to provide transit facilities and service in consideration for the undertaking by the District of Columbia to contribute to the capital required for the construction and/or acquisition of facilities specified in a mass transit plan adopted as provided in Article VI, or in any alteration, revision or amendment thereof, and for meeting expenses and obligations incurred in the operation of such facilities.

''ARTICLE XVI

''*Section 81*

''The United States District Courts shall have original jurisdiction, concurrent with the courts of Maryland, Virginia and the District of Columbia, of all actions brought by or against the Authority and to enforce subpoenas issued under this title. Any such action initiated in a State or District of Columbia court shall be removable to the appropriate United States District Court in the manner provided by Act of June 25, 1948, as amended (28 U.S.C. 1446).

''*Section 84*

''Amendments and supplements to this title to implement the purposes thereof may be adopted by legislative action of any of the signatory parties concurred in by all of the others. When one signatory adopts an amendment or supplement to an existing section of the compact, that amendment or supplement shall not be immediately effective, and the previously enacted provision or provisions shall remain in effect in each jurisdiction until the amendment or supplement is approved by the other signatories and is consented to by Congress.

''*Section 86*

''This title shall be adopted by the signatories in the manner provided by law therefor and shall be signed and sealed in four duplicate original copies. One such copy shall be filed with the Secretary of State of each of the signatory parties or in accordance with the laws of the state in which the filing is made, and one copy shall be filed and retained in the archives of the authority upon its organization. This title shall become effective ninety days after the enactment of concurring legislation by or on behalf of the District of Columbia, Maryland and Virginia and consent thereto by the Congress and all other acts or actions have been taken, including the signing and execution of the title by the Governors of Maryland and Virginia and the Mayor and Council of the District of Columbia.

''Section 2. *And be it further enacted*, That this Act may not take effect until semilar Acts are passed by the District of Columbia and the Commonwealth of Virginia; that the District of Columbia and the Commonwealth of Virginia are requested to concur in this Act of the General Assembly by the passage of substantially similar Acts; that the Department of Legislative Reference shall notify the appropriate officials of the District of Columbia, the Commonwealth of Virginia, and the United States Congress of the passage of this Act; and that, upon the concurrence in this Act by the District of Columbia, the Commonwealth of Virginia, and the United States, the Governor of the State of Maryland shall issue a proclamation declaring this Act valid and effective and shall forward a copy of the proclamation to the Director of the Department of Legislative Reference.

''Section 3. *And be it further enacted*, That, subject to the provisions of Section 2 of this Act, this Act shall take effect October 1, 1996.''

POM–640. A petition adopted by the Legislature of the State of Maryland; to the Committee on Governmental Affairs.

''HOUSE BILL 711

''(a) The board shall not raise any fare or rate, nor implement a major service reduction, except after holding a public hearing with respect thereto.

''(c) The board shall give at least fifteen days' notice for all public hearings. The notice shall be given by publication in a newspaper of daily circulation throughout the transit zone and such notice shall be published once a week for two successive weeks. The notice period shall start with the first day of publication. Notices of public hearings shall be posted in accordance with regulations promulgated by the board.

''Section 2. *And be it further enacted*, That, in Maryland, the Washington Metropolitan Area Transit Authority shall conform with the following standards that constitute a major service reduction. A major service reduction includes: (1) one or more reductions in a single year that represent a total reduction of more than 20% in that year in the number of scheduled revenue miles; (2) one or more reductions in a single year that represent a total reduction of more than 1 hour in that year in the hours of service; (3) one or more reductions in a single year that represent a total reduction of more than 15% in that year in the number of route miles; or (4) one or more eliminations of service in a single year that represent a total elimination of service in that year for more than 10% of current riders. Any change that does not conform with these standards shall constitute a minor service reduction.

''Section 3. *And be it further enacted*, That, in Maryland, any posting of notice of public hearing regulations adopted by the Washington Metropolitan Area Transit Authority under this Act shall include requirements for advanced posting of notice at stations, terminals, but shelters, and vehicles that serve members of the public that are directly affected by a proposed change.

''Section 4. *And be it further enacted*, That Section 1 of this Act may not take effect until similar Acts are passed by the District of Columbia and the Commonwealth of Virginia; that the District of Columbia and the Commonwealth of Virginia are requested to concur in this Act of the General Assembly by the passage of substantially similar Acts; that the Department of Legislative Reference shall notify the appropriate officials of the District of Columbia, the Commonwealth of Virginia, and the United States Congress of the passage of this Act; and that, upon the concurrence in Section 1 of this Act by the District of Columbia, the Commonwealth of Virginia, and the United States, the Governor of the State of Maryland shall issue a proclamation declaring this Act valid and effective and shall forward a copy of the proclamation to the Director of the Department of Legislative Reference.

''Section 5. *And be it further enacted*, That, subject to the provisions of Section 4 of this Act, this Act shall take effect October 1, 1996.''

POM–641. A resolution adopted by the House of the Commonwealth of Pennsylvania; to the Committee on Environment and Public Works.

''HOUSE RESOLUTION NO. 401

''Whereas, The United States Supreme Court has issued a series of decisions holding that the Commerce Clause of the Constitution of the United Stats prohibits states from restricting the importation of solid waste from other states; and

''Whereas, Over the past several years owners and operators of solid waste landfills located in this Commonwealth have increased significantly the amount of solid waste that they accept from other states; and

''Whereas, According to statistics compiled by the Department of Environmental Protection, the percentage of solid waste disposed of in this Commonwealth that is imported from other states has increased in each of the past five years; and

''Whereas, According to statistics compiled by the Department of Environmental Protection, in 1995 imported waste made up 39.2 percent of the solid waste disposal of in landfills located in this Commonwealth; and

''Whereas, New York State and New York City recently announced plans to close by the year 2001 the Fresh Kills landfill located on Staten Island, which currently accepts 13,000 tons of waste per day from New York City, and the city's sanitation director stated that the city would consider sending its waste to landfills in Pennsylvania, among other places; and

''Whereas, The present and projected future levels of solid waste that owners and operators of landfills and incinerators located in this Commonwealth import from other states poses environmental, aesthetic and traffic problems and is unfair to citizens of his Commonwealth, particularly citizens living in areas where landfills and incinerators are located; and

''Whereas, In 1988 the Commonwealth adopted a law designed to reduce the need for additional landfills and incinerators by requiring and encouraging recycling of certain materials; and

''Whereas, It is within the power of Congress to delegate authority to the states to restrict the amount of solid waste they import from other states; and

''Whereas, Legislation has been introduced in both houses of Congress, and passed by the United States Senate, that would give states authority to impose reasonable restrictions on the amount of solid waste imported from other states; and

''Whereas, Passage of such legislation by Congress may hinge upon the success of negotiations between certain states that import and export trash; and

''Whereas, Recently Governor Ridge and the governors of four other states wrote to the Honorable George Pataki; Governor of New York, expressing their desire to reach an accord on authorizing states to place reasonable limits on the importation of solid waste; and

''Whereas, The failure of Congress to act will harm the Commonwealth by allowing the continued unrestricted flow of solid waste generated in other states to landfills and incinerators located in this Commonwealth; therefore be it

''*Resolved,* That the House of Representatives memorialize Congress to approve legislation authorizing states to restrict the amount of solid waste they import from other states; and be it further

''*Resolved,* That the House of Representatives memorialize the Governor of New York to support legislation giving states the authority to place reasonable restrictions upon the amount of solid waste imported from other states; and be it further

''*Resolved,* That copies of this resolution be transmitted to the Honorable George Pataki, Governor of New York, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.''

POM–642. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Environment and Public Works.

''SENATE RESOLUTION NO. 138

''Whereas, The Supreme Court of the United States has issued a series of decisions holding that the Commerce Clause of the Constitution of the United States prohibits states from restricting the importation of solid waste from other states; and

''Whereas, Over the past several years owners and operators of solid waste landfills and resource recovery facilities located in this Commonwealth have increased significantly the amount of solid waste that they accept from other states; and

''Whereas, According to statistics compiled by the Department of Environmental Protection, the percentage of solid waste disposed of in this Commonwealth that is imported from other states has increased in each of the past five years; and

''Whereas, According to statistics compiled by the Department of Environmental Protection, in 1995 imported waste made up 35.4% of the solid waste disposed of in landfills and resource recovery facilities located in this Commonwealth; and

''Whereas, New York State and New York City recently announced plans to close by the year 2001 the Fresh Kills landfill located on Staten Island, which currently accepts 13,000 tons of waste per day from New York City, and the city's sanitation director stated that the city would consider sending its waste to landfills in Pennsylvania, among other places; and

''Whereas, The present and projected future levels of solid waste that owners and operators of landfills and incinerators located in this Commonwealth import from other states poses potential environmental, aesthetic and traffic problems and is unfair to citizens of this Commonwealth, particularly citizens living in areas where landfills and resource recovery facilities are located; and

''Whereas, In 1988 the Commonwealth adopted a law designed to reduce the need for additional landfills and incinerators by requiring and encouraging recycling of certain materials; and

''Whereas, It is within the power of Congress to delegate authority to the states to restrict the amount of solid waste they import from other states; and

''Whereas, Legislation has been introduced in both houses of Congress, and passed by the United States Senate, that would give states authority to impose reasonable restrictions on the amount of solid waste imported from other states; and

''Whereas, Passage of such legislation by Congress may hinge upon the success of negotiations between certain states that import and export trash; and

''Whereas, Recently Governor Ridge and the governors of four other states wrote to the Honorable George Pataki, Governor of New York, expressing their desire to reach an accord on authorizing states to place reasonable limits on the importation of solid waste; and

''Whereas, The failure of Congress to act will harm the Commonwealth by allowing the continued unrestricted flow of solid waste generated in other states to landfills and incinerators located in this Commonwealth; therefore be it

''*Resolved,* That the Senate memorialize Congress to approve legislation authorizing states to restrict the amount of solid waste they import from other states; and be it further

''*Resolved,* That the Senate memorialize the Governor of New York to support legislation giving states the authority to place reasonable restrictions upon the amount of solid waste imported from other states; and be it further

''*Resolved,* That copies of this resolution be transmitted to the Honorable George Pataki, Governor of New York, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.''

POM–643. A resolution adopted by the General Assembly of the State of New Jersey; to the Committee on Commerce, Science, and Transportation.

''ASSEMBLY RESOLUTION NO. 99

''Whereas, Whales have been recognized internationally since the 1960s as animals unnecessarily threatened with extinction because of the variety of alternative sources in modern time for the products and by-products derived from whales; and

''Whereas, The International Whaling Commission voted in 1982 to impose a moratorium on all commercial whaling at the end of the 1984–85 season; and

''Whereas, The principal whaling nations—Japan, Norway and Russia (then the Soviet Union)—did not agree to the moratorium until 1988, and in 1992, Norway announced it would resume hunting minke whales because, in Norway's opinion, the species was no longer in danger of extinction; and

''Whereas, The International Whaling Commission specifically banned commercial whaling of minke whales in 1993 because of the declining numbers of the species; and

''Whereas, It has been reported by international news services that Norway has almost doubled its quota from 232 to 425 minke whales for the 1996 season at a time when the total world population of minke whales is estimated at 110,000 to 120,000 whales; and

''Whereas, Public opposition to this move has been made all the more apparent by published news reports that the head of resources management at the Ministry of Fisheries in Norway said no public announcement of this initiative would be made to avoid violence against whalers; and

''Whereas, The United States has been in the forefront of the ''Save the Whales'' movement, by banning the importation of whale products in 1970 and, later in 1972, by prohibiting all commercial hunting of whales in United States waters; now, therefore, be it

''Be it Resolved by the General Assembly of the State of New Jersey:

''1. The President and the Secretary of State of the United States are requested to express disapproval of Norway for its commercial whaling policies and for the raising of its quotas on minke whales.

''2. Duly authenticated copies of this resolution, signed by the President of the Senate and attested to by the Secretary thereof, shall be transmitted to the King and Prime Minister of Norway, the President, Vice President and the Secretary of State of the United States, the United States Ambassador to Norway, and the members of the Congress of the United States.

''STATEMENT

''This resolution requests the President and the Secretary of State of the United States to express disapproval of Norway for its commercial whaling policies and for the raising of its quotas on minke whales. Norway, in the face of an international ban on minke whale hunting, recently increased its minke whale quotas from 232 to 425 whales. It is estimated that the total world population of minke whales is 110,000 to 120,000 whales.

''Requests the President and the Secretary of State of the United States to express disapproval of Norway for its commercial whaling policies and for the raising of its quotas on minke whales.''

POM–644. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Environment and Public Works.

''SENATE JOINT RESOLUTION 38

''Whereas the United States Environmental Protection Agency has proposed new rules to expand the Toxics Release Inventory (TRI) Program; and

''Whereas this expansion could add electric utilities, waste management facilities, mining, oil and gas exploration and production, materials recovery and recycling, and some warehousing activities to the list of facilities required to report toxic chemical releases under the TRI program; and

''Whereas only manufacturing facilities must currently report under the TRI program and there are significant fundamental differences between manufacturing facilities and the facilities threatened with addition to the list; and

''Whereas nearly all of the produced water, natural gas, and other miscellaneous materials from oil and gas exploration and production facilities are discharged to deep disposal wells far below the groundwater aquifer; and

''Whereas the Environmental Protection Agency's profiles of various industries not currently required to report under the TRI program assume that typical releases remain constant; this is not the case for at least some operations where the concentrations of chemicals in wastestreams change constantly; and

''Whereas the only way to monitor these varying discharges would be for operators to perform regular, expensive wastestream tests; and

''Whereas the information gained from these tests would not benefit communities significantly because much of the information regarding on-site hazardous substances is already required to be reported to local emergency planning committees, the Alaska State Emergency Planning Commission, the State Fire Marshall's office, and local fire departments; and

''Whereas the Alaska State Legislature considers this proposed rule-making would result in an unnecessary, duplicative reporting burden; and

''Whereas this expanded reporting requirement will force companies operating in Alaska to redirect financial resources to a reporting effort with far less benefit than current reporting requirements; and

''Whereas the State of Alaska has been implementing changes to minimize the cost burden on marginal oil and gas projects and those nearing their economic end: Be it

''*Resolved* that the Alaska State Legislature respectfully requests that the United States Environmental Protection Agency cease from imposing additional, duplicative reporting mandates on industry; and be it further

''*Resolved* that, if the Environmental Protection Agency continues with the implementation of the proposed rule, the Alaska State Legislature requests that oil and gas exploration and production be exempted from the TRI program reporting requirements.''

POM–645. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Governmental Affairs.

''LEGISLATIVE RESOLVE NO. 70

''Whereas the United States Congress, by its authority to regulate commerce among the states, has repeatedly preempted state laws, including those relating to health, welfare, transportation, communications, banking, environment, and civil justice, reducing the ability of state legislatures to be responsive to their constituents; and

''Whereas more than one-half of all federal laws preempting states have been enacted by the Congress since 1969, intensifying an erosion of state power that leaves an essential part of our constitutional structure—federalism—standing precariously; and

''Whereas the United States Constitution anticipates that our American federalism will allow differences among state laws, expecting people to seek change through their own legislatures without federal legislators representing other states preempting states to impose national laws; and

''Whereas constitutional tension necessary to protect liberty arises from the fact that federal law is ''the supreme Law of the Land'' while, in contrast, powers not delegated to the federal government are reserved to the states or to the people, and that tension can exist only when states are not preempted and, thus, remain credible powers in the federal system; and

''Whereas less federal preemption means states can act as laboratories of democracy, seeking novel social and economic policies without risk to the nation; and

''Whereas S. 1629 is designed to create mechanisms for careful consideration of proposals that would preempt states in areas historically within their purview through procedural mechanisms in the legislative, executive, and judicial branches of government, namely—

''(1) in the legislative branch, by requiring a statement of constitutional authority and an expression of the intent to preempt states;

''(2) in the executive branch, by curbing agencies that may preempt beyond their legislative authority;

''(3) in the judicial branch, by codifying judicial deference to state laws where the Congress is not clear in its intent to preempt; be it

''*Resolved*, That the Alaska State Legislature urges that

''(1) the congressional delegation of this state cosponsor S. 1629 in order to show its support for a decisive role for states within the federal system;

''(2) the United States Congress enact S. 1629, the Tenth Amendment Enforcement Act of 1996, in order to strengthen the political safeguards of federalism as anticipated under the United States Constitution; and

''(3) the President of the United States sign S. 1629 as a means of ensuring full consideration of federalism principles within the exercise of executive powers.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCONNELL, from the Committee on Appropriations, with an amendment in the nature of a substitute:

H.R. 3540. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes (Rept. No. 104–295).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1194. A bill to amend the Mining and Mineral Policy Act of 1970 to promote the research, identification, assessment, and exploration of marine mineral resources, and for other purposes (Rept. No. 104–296).

S. 1225. A bill to require the Secretary of the Interior to conduct an inventory of historic sites, buildings, and artifacts in the Champlain Valley and the upper Hudson River Valley, including the Lake George area, and for other purposes (Rept. No. 104–297).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 1646. A bill to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes (Rept. No. 104–298).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1703. A bill to amend the Act establishing the National Park Foundation (Rept. No. 104–299).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 1823. A bill to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1985, and for other purposes (Rept. No. 104–300).

H.R. 2967. A bill to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes (Rept. No. 104–301).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

H.R. 3008. A bill to amend the Helium Act to authorize the Secretary to enter into agreements with private parties for the recovery and disposal of helium on Federal lands, and for other purposes (Rept. No. 104–302).

By Mrs. HUTCHISON, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1648. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *HERCO TYME* (Rept. No. 104–303).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1682. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *LIBERTY*, and for other purposes (Rept. No. 104–304).

S. 1825. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *HALCYON* (Rept. No. 104–305).

S. 1826. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *COURIER SERVICE* (Rept. No. 104–306).

S. 1828. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *TOP GUN*, and for other purposes (Rept. No. 104–307).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted on June 26, 1996:

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources:

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

1. FOR APPOINTMENT:

To be assistant surgeon:

John M. Balintona	Rochelle Nolte
Al-Karim A. Dhanji	David C. Houghton
Heidi C. Erickson	John Mohs
Tracey A. Ford	Mark A. Sheffler
	Kimberly S. Stolz

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THURMOND, from the Committee on Armed Services:

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. Joseph E. DeFrancisco, 000–00–0000.

The following-named officer for reappointment to the grade of vice admiral in the U.S. Navy assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. John S. Redd, 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. Donald L. Pilling, 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. Thomas J. Lopez, 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. Joseph W. Kinzer, 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) Charles S. Abbott, 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. William M. Steele, 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(a), title 10, United States Code:

To be lieutenant general

Maj. Gen. Peter Pace, 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, sections 601 and 5141:

CHIEF OF NAVAL PERSONNEL

To be vice admiral

Rear Adm. Daniel T. Oliver, 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. Dennis L. Benchoff, 000–00–0000.

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably the attached listing of nominations. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD of June 18 and June 21, 1996, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of June 18 and June 21, 1996, at the end of the Senate proceedings.)

**In the Air Force there are 31 appointments to the grade of second lieutenant (list begins with Brian K. Bakshas) (Reference No. 1166).

**In the Air Force Reserve there are 50 promotions to the grade of lieutenant colonel (list begins with Daniel A. Babine) (Reference No. 1167).

**In the Air Force there are 170 appointments to the grade of second lieutenant (list begins with Justin L. Abold) (Reference No. 1168).

**In the Air force Reserve there are 31 promotions to the grade of lieutenant colonel (list begins with Larry D. Biggers) (Reference No. 1171).

**In the Army Reserve there are 49 promotions to the grade of colonel and below (list begins with Gregory K. Austin) (Reference No. 1172).

**In the Army there are 6 promotions to the grade of major (list begins with Gregory B. Baxter) (Reference No. 1173).

**In the Marine Corps there are 636 promotions to the grade of major (list begins with Mark D. Abelson) (Reference No. 1174).

Total: 983.

By Mr. HATCH, from the Committee on the Judiciary:

Arthur Gajarsa, of Maryland, to be U.S. Circuit Judge for the Federal Circuit.

Frank R. Zapata, of Arizona, to be U.S. District Judge for the District of Arizona.

Joan B. Gottschall, of Illinois, to be U.S. District Judge for the Northern District of Illinois.

Lawrence E. Kahn, of New York, to be U.S. District Judge for the Northern District of New York.

Margaret M. Morrow, of California, to be U.S. District Judge for the Central District of California.

Robert L. Hinkle, of Florida, to be U.S. District Judge for the Northern District of Florida.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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 Mrs. BOXER:

S. 1910. A bill to amend the Public Health Service Act to provide for expanding, intensifying, and coordinating activities of the National Heart, Lung, and Blood Institute with respect to heart attack, stroke, and other cardiovascular diseases in women; to the Committee on Labor and Human Resources.

By Ms. MOSELEY-BRAUN (for herself and Mr. JEFFORDS):

S. 1911. A bill to amend the Internal Revenue Code of 1986 to encourage economic development through the creation of additional empowerment zones and enterprise communities and to encourage the cleanup of contaminated brownfield sites; to the Committee on Finance.

By Mr. PRYOR:

S. 1912. A bill to clarify the provision of section 3626(b) of title 39, United States Code, defining an ''institution of higher education''; to the Committee on Governmental Affairs.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 1913. A bill to establish the Lower East Side Tenement Museum National Historic Site, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATCH:

S. 1914. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment of research related to an existing business component; to the Committee on Finance.

By Mr. JEFFORDS:

S. 1915. A bill to amend the Endangered Species Act of 1973 to prohibit the sale of products labeled as containing endangered species, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DEWINE:

S. 1916. A bill to authorize the Secretary of the Army to convey to the village of Mariemont, Ohio, a parcel of land referred to as the ''Ohio River Division Laboratory of the Army Corps of Engineers'', and for other purposes; to the Committee on Environment and Public Works.

By Mr. ABRAHAM (for himself and Mr. SHELBY):

S. 1917. A bill to authorize the State of Michigan to implement the demonstration project known as ''To Strengthen Michigan Families''; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. CHAFEE, Mr. BAUCUS, Mr. SIMPSON, Mr. CONRAD, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRYOR, Mr. GRAHAM, Mr. BREAUX, Mr. GRAMM, Mr. D'AMATO, Mr. HATCH, Mr. PRESSLER, and Mr. LOTT):

S. 1918. A bill to amend trade laws and related provisions to clarify the designation of normal trade relations; to the Committee on Finance.

By Mr. COVERDELL:

S. 1919. A bill to amend the Controlled Substances Import and Export Act to prohibit the use of an imported controlled substance (including flunitrazepam) to commit a felony, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 1920. A bill to amend the Alaska National Interest Lands Conservation Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRAIG:

S. 1921. A bill to authorize the Secretary of the Interior to transfer certain facilities at the Minidoka project to the Burley Irrigation District, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS (for himself, Mr. PELL, Mr. LOTT, Mr. DASCHLE, Mr. BROWN, Mrs. FEINSTEIN, Mr. REID, Ms. MOSELEY-BRAUN, Mr. BRYAN, Mr. COATS, Mr. BAUCUS, Mr. MOYNIHAN, Mr. DOMENICI, Mr. GRAMM, and Mr. COVERDELL):

S. Res. 273. A resolution condemning terror attacks in Saudi Arabia; considered and agreed to.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. Res. 274. A resolution to express the sense of the Senate regarding the outstanding achievements of NetDay96; to the Committee on the Judiciary.

By Mr. WELLSTONE (for himself, Mr. KENNEDY, Mrs. MURRAY, Mr. WYDEN, Mr. FEINGOLD, Mr. AKAKA, Mr. SIMON, and Mr. SARBANES):

S. Con. Res. 66. A concurrent resolution to express the sense of the Congress that any welfare reform legislation enacted by the Congress should include provisions addressing domestic violence; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 1910. A bill to amend the Public Health Service Act to provide for expanding, intensifying, and coordinating activities of the National Heart, Lung, and Blood Institute with respect to

heart attack, stroke, and other cardiovascular diseases in women; to the Committee on Labor and Human Resources

THE WOMEN'S CARDIOVASCULAR DISEASES RESEARCH AND PREVENTION ACT

Mrs. BOXER. Mr. President, today I am introducing the Women's Cardiovascular Diseases Research and Prevention Act, a bill to expand and intensify research and educational outreach programs regarding cardiovascular diseases in women. This bill will aid our Nation's doctors and scientists in developing a coordinated and comprehensive strategy for fighting this terrible disease.

Cardiovascular disease is the No. 1 killer of women in the United States. Over 479,000 women die from cardiovascular disease each year and 1 in 5 women has some form of the disease. Research is our best hope for averting this national tragedy which strikes so many of our grandmothers, mothers, aunts and daughters.

The Women's Cardiovascular Diseases Research and Prevention Act authorizes $140 million to the National Heart, Lung and Blood Institute to expand and intensify research, prevention, and educational outreach programs for heart attack, stroke and other cardiovascular diseases in women.

This bill will educate women and doctors about the dire threat heart disease poses to women's health. It will help train doctors to better recognize symptoms of cardiovascular disease which are unique to women. It would also teach women about risk factors, such as smoking, obesity, and physical inactivity, which greatly increase their chances of developing coronary heart disease.

For years, women have been underrepresented in studies conducted on heart disease and stroke. Models and tests for detection have been conducted largely on men. This legislation will help ensure that women are well represented in future heart and stroke research studies.

The Women's Cardiovascular Diseases Research and Prevention Act has been introduced in the House by Representative WATERS, and it has been included in the Women's Health Equity Act, a broader package of bills to bring national attention to women's health issues.

I urge my colleagues to commit to combating cardiovascular disease by supporting this bill.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 1910

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 ''women's Cardiovascular Diseases Research and Prevention Act''.

SEC. 2. FINDINGS.

The Congress finds as follows with respect to women in the United States:

(1) Heart attack, stroke, and other cardiovascular diseases are the leading causes of death in women.

(2) Heart attacks and strokes are leading causes of disability in women.

(3) Cardiovascular diseases claim the lives of more women each year than does cancer. Each year more than 479,000 females die of cardiovascular diseases, while approximately 246,000 females die of cancer. Heart attack kills more than 5 times as many females as breast cancer. Stroke kills twice as many females as breast cancer.

(4) One in 5 females has some form of cardiovascular disease. Of females under age 65, each year more than 20,000 die of heart attacks. In the case of African-American women, from ages 35 to 74 the death rate from heart attacks is approximately twice that of white women and 3 times that of women of other races.

(5) Each year since 1984, cardiovascular diseases have claimed the lives of more females than males. In 1992, of the number of individuals who died of such diseases, 52 percent were females and 48 percent were males.

(6) The clinical course of cardiovascular diseases is different in women than in men, and current diagnostic capabilities are less accurate in women than in men. Once a woman develops a cardiovascular disease, she is more likely than a man to have continuing health problems, and she is more likely to die.

(7) Of women who have had a heart attack, approximately 44 percent die within 1 year of the attack. Of men who have had such an attack, 27 percent die within 1 year. At older ages, women who have had a heart attack are twice as likely as men to die from the attack within a few weeks. Women are more likely than men to have stroke during the first 6 years following a heart attack. More than 60 percent of women who suffer a stroke die within 8 years. Long-term survivorship of stroke is better in women than in men. Of individuals who die from a stroke, each year approximately 61 percent are females. In 1992, 87,124 females died from strokes. Women have unrecognized heart attacks more frequently than men. Of women who died suddenly from heart attack, 63 percent had no previous evidence of disease.

(8) More than half of the annual health care costs that are related to cardiovascular diseases are attributable to the occurrence of the diseases in women, each year costing this nation hundreds of billions of dollars in health care costs and lost productivity.

SEC. 3. EXPANSION AND INTENSIFICATION OF ACTIVITIES REGARDING HEART ATTACK, STROKE AND OTHER CARDIOVASCULAR DISEASES IN WOMEN.

Subpart 2 of part C of title IV of the Public Health Service Act (42 U.S.C. 285b et seq.) is amended by inserting after section 424 the following section:

''HEART ATTACK, STROKE, AND OTHER CARDIOVASCULAR DISEASES IN WOMEN

''SEC. 424A. (a) IN GENERAL.—The Director of the Institute shall expand, intensify, and coordinate research and related activities of the Institute with respect to heart attack, stroke, and other cardiovascular diseases in women.

''(b) COORDINATION WITH OTHER INSTITUTES.—The Director of the Institute shall coordinate activities under subsection (a) with similar activities conducted by the other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to heart attack, stroke, and other cardiovascular diseases in women.

''(c) CERTAIN PROGRAMS.—In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the causes of, and to develop methods for preventing, cardiovascular diseases in women. Activities under such subsection shall include conducting and supporting the following:

''(1) Research to determine the reasons underlying the prevalence of heart attack, stroke, and other cardiovascular diseases in women, including African-American women and other women who are members of racial or ethnic minority groups.

''(2) Basic research concerning the etiology and causes of cardiovascular diseases in women.

''(3) Epidemiological studies to address the frequency and natural history of such diseases and the differences among men and women, and among racial and ethnic groups, with respect to such diseases.

''(4) The development of safe, efficient, and cost-effective diagnostic approaches to evaluating women with suspected ischemic heart disease.

''(5) Clinical research for the development and evaluation of new treatments for women, including rehabilitation.

''(6) Studies to gain a better understanding of methods of preventing cardiovascular diseases in women, including applications of effective methods for the control of blood pressure, lipids, and obesity.

''(7) Information and education programs for patients and health care providers on risk factors associated with heart attack, stroke, and other cardiovascular diseases in women, and on the importance of the prevention or control of such risk factors and timely referral with appropriate diagnosis and treatment. Such programs shall include information and education on health-related behaviors that can improve such important risk factors as smoking, obesity, high blood cholesterol, and lack of exercise.

''(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $140,000,000 for fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 and 1999. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriation that is available for such purpose.''.

By Ms. MOSELEY-BRAUN (for herself and Mr. JEFFORDS):

S. 1911. A bill to amend the Internal Revenue Code of 1986 to encourage economic development through the creation of additional empowerment zones and enterprise communities and to encourage the cleanup of contaminated brownfield sites; to the Committee on Finance.

THE COMMUNITY EMPOWERMENT ACT OF 1996

Ms. MOSELEY-BRAUN. Mr. President, it gives me great pleasure, together with my colleagues, Senators D'AMATO and JEFFORDS, to introduce the Community Empowerment Act of 1996. This is economic development legislation that will create new growth and new jobs, by facilitating the cleanup and reuse of what are called brownfield industrial and commercial sites, and by adding 20 additional empowerment zones and 80 additional enterprise communities all across the Nation.

Mr. President, this legislation provides a new opportunity for cooperation between government and the private sector not only to help rebuild

urban areas and rural areas and suburban areas to attract investments, but also to effect the cleanup of what I sometimes refer to as an ''environmentally challenged area.''

The act refers to brownfields specifically and provides a tax incentive rather for brownfield cleanups. Incentives exist in that money spent by new owners for the cleanup of environmentally polluted areas will accrue as an expense on their income tax.

Brownfields are contaminated industrial sites. Usually, the facilities are abandoned and have problems selling because of the contamination that was left on the property. These sites are well suited for industrial and commercial redevelopment because the transportation infrastructure already exist, the utilities are there and the labor force is there. However, potential redevelopers usually stay away from these sites, in no small part because current law forces them to capitalize environmental cleanup costs. That constitutes a daunting obstacle to redevelopment. Even small amounts of contamination adds significantly to the cost and uncertainty of a reuse project. Therefore, businesses have a significant incentive to move to areas outside of the brownfield communities because of the cost associated with the cleanup and redevelopment. Reversing this deterrent, therefore will help to encourage businesses to reuse these brownfields.

Under the provisions of this legislation, qualifying brownfields would be provided full first-year expensing of environmental cleanup costs under the Federal tax code. Full first-year expensing simply means that a tax deduction will be allowed for the cleanup costs in the year that the costs are incurred.

At present, if an industrial property owner does environmental damage to their property and then cleans up the site, the owner is allowed to expense the cost of that cleanup. However, in a strange twist of logic, someone who buys an environmentally damaged piece of property and who cleans up that property is now allowed to expense these cleanup costs, but instead must deduct the cost over many years.

The result? An urban landscape littered with vacant and abandoned properties—properties which attract crime and bring down property values in the surrounding neighborhoods.

This is an issue that directly affects the lives of literally millions of Americans, and addressing it will empower communities across the country. The collective efforts of everyone, particularly, the nonprofit community, the private sector, the Government, developers and grassroots community groups are essential to begin the process of returning brownfield properties back to productive use, and to bring economic growth back to the inner cities and disadvantaged rural areas.

In order to help communities across the Nation begin rebuilding their economic base, reestablish viable areas for businesses to locate, and to stimulate job growth, at the Federal level, we must provide the appropriate mix of incentives and the right climate to encourage private investment.

This legislation take a non bureaucratic approach to encouraging investment because all of the funds go toward the cleanup and not to administrative costs. This legislation opens up opportunity through targeted tax incentives.

The Community Empowerment Act creates tax incentives, that we hope will break through some of the current barriers preventing the private industry from investing in brownfields cleanup projects. The legislation's tax incentives will help bring thousands of environmentally contaminated industrial sites back into productive use again, help to rebuild neighborhoods, create jobs, and help restore our Nation's cities, distressed communities and rural areas.

Particularly in my State of Illinois, the brownfields provisions should have a major impact on efforts to help restore severely neglected areas. It will allow for the cleanup of 300 to 500 sites in Illinois with remediation costs ranging from $250,000 to $500,000. It is expected that such cleanup will create hundreds of jobs.

This legislation will help companies all across America absorb the costs of restoring brownfields. The Treasury Department estimates that the Community Empowerment Act of 1996 will provide $2 billion in tax incentives, and that it will leverage $10 billion in private investment, returning an estimated 30,000 brownfields to productive use again.

What makes this legislation so attractive, is that the Federal dollars to cleanup these brownfields will be concentrated in the areas with the most severe problems. The tax incentive would be available in neighborhoods that are truly in need of an investment. The bill targets four areas: First, existing EPA brownfields pilot areas; second, areas with a poverty rate of 20 percent or more and in adjacent industrial or commercial areas; third, areas with a population under 2,000 or more than 75 percent of which is zoned for industrial or commercial use; and fourth, Empowerment Zones and Enterprise Communities.

This legislation will assist efforts to cleanup these brownfields in cities across the Nation, with the active primary participation of the cities and community leaders. Such participation will make the initiative efficient, and successful.

Mayor Richard Daley of Chicago, has taken the initiative to establish a brownfields pilot program. One example of a successful public/private partnership pulling together to cleanup a brownfields site is the Madison Equipment site located in Illinois. This abandoned industrial building was a neighborhood eyesore. Scavengers had stolen most of the wiring and plumbing and illegal or ''midnight'' dumping was rampant. Madison Equipment needed expansion space but feared environmental liability. However, in 1993, the city of Chicago invested just a little over $3,000 in this project and 1 year later Madison had put $180,000 into redeveloping the building. The critical reason that lenders and investors will look at this area is because the city committed public money to spur private redevelopment and investment. When the local government demonstrates the confidence to commit public funds, private financial institutions are more likely to follow suit.

Chicago's pilot program successfully will return all of the pilot sites to productive use for a total of about $850,000. It has helped to retain and create hundreds of jobs, and stimulated private investment. Chicago is a perfect example of what this legislation can accomplish on a national level. But in order to make it all happen, cooperation is key. Effective strategies require strong partnerships among government, industry, organized labor, community groups, developers, environmentalists, and financiers who all realize that when their efforts are aligned, progress is easier.

Brownfields are both an environmental and an economic development problem and brownfield initiatives should be viewed as one important component of a larger strategy for revitalizing our Nation's communities. Cleaning up sites is only half the goal. Cleanup must be pursued along with redevelopment that will benefit not only the private companies but the community at large.

That is why along with the brownfield tax incentives, the legislation also establishes 20 more empowerment zones and 80 additional enterprise communities. Empowerment Zones and Enterprise Communities receive a variety of tools from the Federal Government: First, a package of tax incentives and flexible grants available over a 10-year period; second, priority consideration for other Federal empowerment programs; and third, assistance in removing bureaucratic red tape and regulatory barriers that prevent innovative uses of Federal funds.

This approach recognizes that top-down, big-government solutions are not the answer to communities' problems, and that enhanced public-private partnerships are essential.

Economic empowerment can be achieved but it is best done through public/private partnerships. Economic revitalization in this Nation's most distressed communities is essential to the growth of our entire Nation. With the concept of team effort, we can rebuild our cities by stimulating investment that creates jobs. Environmental protection can be and is good business. With this legislation, we will begin the effort to restore economic growth back into our countries industrial centers and rural communities while improving the environment.

I would like to thank President Clinton, Vice President GORE and Secretary Rubin for their leadership and work on this issue. I appreciate my colleagues Senator D'AMATO and JEFFORDS for their cosponsorship and in making this legislation a bipartisan effort. I urge all of my colleagues to join us in supporting the quick passage of this legislation. Mr. President, I ask unanimous consent that a section-by-section analysis of the bill and the text of the bill be printed in the RECORD.

I urge my colleagues to take a good look at the legislation. I think and I hope that it will receive bipartisan support.

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

S. 1911

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1986 CODE.

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 Internal Revenue Code of 1986.

TITLE I—ADDITIONAL EMPOWERMENT ZONES

SEC. 101. ADDITIONAL EMPOWERMENT ZONES.

(a) IN GENERAL.—Paragraph (2) of section 1391(b) (relating to designations of empowerment zones and enterprise communities) is amended—

(1) by striking ''9'' and inserting ''11'',

(2) by striking ''6'' and inserting ''8'', and

(3) by striking ''750,000'' and inserting ''1,000,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that designations of new empowerment zones made pursuant to such amendments shall be made during the 180-day period beginning on the date of the enactment of this Act.

TITLE II—NEW EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

SEC. 201. DESIGNATION OF ADDITIONAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.

(a) IN GENERAL.—Section 1391 (relating to designation procedure for empowerment zones and enterprise communities) is amended by adding at the end the following new subsection:

''(g) ADDITIONAL DESIGNATIONS PERMITTED.—

''(1) IN GENERAL.—In addition to the areas designated under subsection (a)—

''(A) ENTERPRISE COMMUNITIES.—The appropriate Secretaries may designate in the aggregate an additional 80 nominated areas as enterprise communities under this section, subject to the availability of eligible nominated areas. Of that number, not more than 50 may be designated in urban areas and not more than 30 may be designated in rural areas.

''(B) EMPOWERMENT ZONES.—The appropriate Secretaries may designate in the aggregate an additional 20 nominated areas as empowerment zones under this section, subject to the availability of eligible nominated areas. Of that number, not more than 15 may be designated in urban areas and not more than 5 may be designated in rural areas.

''(2) PERIOD DESIGNATIONS MAY BE MADE.—A designation may be made under this subsection after the date of the enactment of this subsection and before January 1, 1998.

''(3) MODIFICATIONS TO ELIGIBILITY CRITERIA, ETC.—

''(A) POVERTY RATE REQUIREMENT.—

''(i) IN GENERAL.—A nominated area shall be eligible for designation under this subsection only if the poverty rate for each population census tract within the nominated area is not less than 20 percent and the poverty rate for at least 90 percent of the population census tracts within the nominated area is not less than 25 percent.

''(ii) TREATMENT OF CENSUS TRACTS WITH SMALL POPULATIONS.—A population census tract with a population of less than 2,000 shall be treated as having a poverty rate of not less than 25 percent if—

''(I) more than 75 percent of such tract is zoned for commercial or industrial use, and

''(II) such tract is contiguous to 1 or more other population census tracts which have a poverty rate of not less than 25 percent (determined without regard to this clause).

''(iii) EXCEPTION FOR DEVELOPABLE SITES.—Clause (i) shall not apply to up to 3 noncontiguous parcels in a nominated area which may be developed for commercial or industrial purposes. The aggregate area of noncontiguous parcels to which the preceding sentence applies with respect to any nominated area shall not exceed 1000 acres (2,000 acres in the case of an empowerment zone).

''(iv) CERTAIN PROVISIONS NOT TO APPLY.—Section 1392(a)(4) (and so much of paragraphs (1) and (2) of section 1392(b) as relate to section 1392(a)(4)) shall not apply to an area nominated for designation under this subsection.

''(v) SPECIAL RULE FOR RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.—The Secretary of Agriculture may designate not more than 1 empowerment zone, and not more than 5 enterprise communities, in rural areas without regard to clause (i) if such areas satisfy emigration criteria specified by the Secretary of Agriculture.

''(B) SIZE LIMITATION.—

''(i) IN GENERAL.—The parcels described in subparagraph (A)(iii) shall not be taken into account in determining whether the requirement of subparagraph (A) or (B) of section 1392(a)(3) is met.

''(ii) SPECIAL RULE FOR RURAL AREAS.—If a population census tract (or equivalent division under section 1392(b)(4)) in a rural area exceeds 1,000 square miles or includes a substantial amount of land owned by the Federal, State, or local government, the nominated area may exclude such excess square mileage or governmentally owned land and the exclusion of that area will not be treated as violating the continuous boundary requirement of section 1392(a)(3)(B).

''(C) AGGREGATE POPULATION LIMITATION.—The aggregate population limitation under the last sentence of subsection (b)(2) shall not apply to a designation under paragraph (1)(B).

''(D) PREVIOUSLY DESIGNATED ENTERPRISE COMMUNITIES MAY BE INCLUDED.—Subsection (e)(5) shall not apply to any enterprise community designated under subsection (a) that is also nominated for designation under this subsection.

''(E) INDIAN RESERVATIONS MAY BE NOMINATED.—

''(i) IN GENERAL.—Section 1393(a)(4) shall not apply to an area nominated for designation under this subsection.

''(ii) SPECIAL RULE.—An area in an Indian reservation shall be treated as nominated by a State and a local government if it is nominated by the reservation governing body (as determined by the Secretary of Interior).''

(b) EMPLOYMENT CREDIT NOT TO APPLY TO NEW EMPOWERMENT ZONES.—Section 1396 (relating to empowerment zone employment credit) is amended by adding at the end the following new subsection:

''(e) CREDIT NOT TO APPLY TO EMPOWERMENT ZONES DESIGNATED UNDER SECTION 1391(g).—This section shall be applied without regard to any empowerment zone designated under section 1391(g).''

(c) INCREASED EXPENSING UNDER SECTION 179 NOT TO APPLY IN DEVELOPABLE SITES.—Section 1397A (relating to increase in expensing under section 179) is amended by adding at the end the following new subsection:

''(c) LIMITATION.—For purposes of this section, qualified zone property shall not include any property substantially all of the use of which is in any parcel described in section 1391(g)(3)(A)(iii).''

(d) CONFORMING AMENDMENTS.—

(1) Subsections (e) and (f) of section 1391 are each amended by striking ''subsection (a)'' and inserting ''this section''.

(2) Section 1391(c) is amended by striking ''this section'' and inserting ''subsection (a)''.

SEC. 202. VOLUME CAP NOT TO APPLY TO ENTERPRISE ZONE FACILITY BONDS WITH RESPECT TO NEW EMPOWERMENT ZONES.

(a) IN GENERAL.—Section 1394 (relating to tax-exempt enterprise zone facility bonds) is amended by adding at the end the following new subsection:

''(f) BONDS FOR EMPOWERMENT ZONES DESIGNATED UNDER SECTION 1391(g).—

''(1) IN GENERAL.—In the case of a new empowerment zone facility bond—

''(A) such bond shall not be treated as a private activity bond for purposes of section 146, and

''(B) subsection (c) of this section shall not apply.

''(2) LIMITATION ON AMOUNT OF BONDS.—

''(A) IN GENERAL.—Paragraph (1) shall apply to a new empowerment zone facility bond only if such bond is designated for purposes of this subsection by the local government which nominated the area to which such bond relates.

''(B) LIMITATION ON BONDS DESIGNATED.—The aggregate face amount of bonds which may be designated under subparagraph (A) with respect to any empowerment zone shall not exceed—

''(i) $60,000,000 if such zone is in a rural area,

''(ii) $130,000,000 if such zone is in an urban area and the zone has a population of less than 100,000, and

''(iii) $230,000,000 if such zone is in an urban area and the zone has a population of at least 100,000.

''(C) SPECIAL RULES.—

''(i) COORDINATION WITH LIMITATION IN SUBSECTION (c).—Bonds to which paragraph (1) applies shall not be taken into account in applying the limitation of subsection (c) to other bonds.

''(ii) CURRENT REFUNDING NOT TAKEN INTO ACCOUNT.—In the case of a refunding (or series of refundings) of a bond designated under this paragraph, the refunding obligation shall be treated as designated under this paragraph (and shall not be taken into account in applying subparagraph (B)) if—

''(I) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(II) the refunded bond is redeemed not later than 90 days after the date of issuance of the refunding bond.

''(3) NEW EMPOWERMENT ZONE FACILITY BOND.—For purposes of this subsection, the term 'new empowerment zone facility bond' means any bond which would be described in

subsection (a) if only empowerment zones designated under section 1391(g) were taken into account under sections 1397B and 1397C.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 203. MODIFICATIONS TO ENTERPRISE ZONE FACILITY BOND RULES FOR ALL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.

(a) MODIFICATIONS RELATING TO ENTERPRISE ZONE BUSINESS.—Paragraph (3) of section 1394(b) (defining enterprise zone business) is amended to read as follows:

''(3) ENTERPRISE ZONE BUSINESS.—

''(A) IN GENERAL.—Except as modified in this paragraph, the term 'enterprise zone business' has the meaning given such term by section 1397B.

''(B) MODIFICATIONS.—In applying section 1397B for purposes of this section—

''(i) BUSINESSES IN ENTERPRISE COMMUNITIES ELIGIBLE.—References in section 1397B to empowerment zones shall be treated as including references to enterprise communities.

''(ii) WAIVER OF REQUIREMENTS DURING STARTUP PERIOD.—A business shall not fail to be treated as an enterprise zone business during the startup period if—

''(I) as of the beginning of the startup period, it is reasonably expected that such business will be an enterprise zone business (as defined in section 1397B as modified by this paragraph) at the end of such period, and

''(II) such business makes bona fide efforts to be such a business.

''(iii) REDUCED REQUIREMENTS AFTER TESTING PERIOD.—A business shall not fail to be treated as an enterprise zone business for any taxable year beginning after the testing period by reason of failing to meet any requirement of subsection (b) or (c) of section 1397B if at least 35 percent of the employees of such business for such year are residents of an empowerment zone or an enterprise community. The preceding sentence shall not apply to any business which is not a qualified business by reason of paragraph (1), (4), or (5) of section 1397B(d).

''(C) DEFINITIONS RELATING TO SUBPARAGRAPH (B).—For purposes of subparagraph (B)—

''(i) STARTUP PERIOD.—The term 'startup period' means, with respect to any property being provided for any business, the period before the first taxable year beginning more than 2 years after the later of—

''(I) the date of issuance of the issue providing such property, or

''(II) the date such property is first placed in service after such issuance (or, if earlier, the date which is 3 years after the date described in subclause (I)).

''(ii) TESTING PERIOD.—The term 'testing period' means the first 3 taxable years beginning after the startup period.

''(D) PORTIONS OF BUSINESS MAY BE ENTERPRISE ZONE BUSINESS.—The term 'enterprise zone business' includes any trades or businesses which would qualify as an enterprise zone business (determined after the modifications of subparagraph (B)) if such trades or businesses were separately incorporated.''

(b) MODIFICATIONS RELATING TO QUALIFIED ZONE PROPERTY.—Paragraph (2) of section 1394(b) (defining qualified zone property) is amended to read as follows:

''(2) QUALIFIED ZONE PROPERTY.—The term 'qualified zone property' has the meaning given such term by section 1397C; except that—

''(A) the references to empowerment zones shall be treated as including references to enterprise communities, and

''(B) section 1397C(a)(2) shall be applied by substituting 'an amount equal to 15 percent of the adjusted basis' for 'an amount equal to the adjusted basis'.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 204. MODIFICATIONS TO ENTERPRISE ZONE BUSINESS DEFINITION FOR ALL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.

(a) IN GENERAL.—Section 1397B (defining enterprise zone business) is amended—

(1) by striking ''80 percent'' in subsections (b)(2) and (c)(1) and inserting ''50 percent'',

(2) by striking ''substantially all'' each place it appears in subsections (b) and (c) and inserting ''a substantial portion'',

(3) by striking '', and exclusively related to,'' in subsections (b)(4) and (c)(3),

(4) by adding at the end of subsection (d)(2) the following new flush sentence:

''For purposes of subparagraph (B), the lessor of the property may rely on a lessee's certification that such lessee is an enterprise zone business.'',

(5) by striking ''substantially all'' in subsection (d)(3) and inserting ''at least 50 percent'', and

(6) by adding at the end the following new subsection:

''(f) TREATMENT OF BUSINESSES STRADDLING CENSUS TRACT LINES.—For purposes of this section, if—

''(1) a business entity or proprietorship uses real property located within an empowerment zone,

''(2) the business entity or proprietorship also uses real property located outside the empowerment zone,

''(3) the amount of real property described in paragraph (1) is substantial compared to the amount of real property described in paragraph (2), and

''(4) the real property described in paragraph (2) is contiguous to part or all of the real property described in paragraph (1),

then all the services performed by employees, all business activities, all tangible property, and all intangible property of the business entity or proprietorship that occur in or is located on the real property described in paragraphs (1) and (2) shall be treated as occurring or situated in an empowerment zone.''

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning on or after the date of the enactment of this Act.

(2) SPECIAL RULE FOR ENTERPRISE ZONE FACILITY BONDS.—For purposes of section 1394(b) of the Internal Revenue Code of 1986, the amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

TITLE III—EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS

SEC. 301. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by adding at the end the following new section:

''SEC. 198. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

''(a) IN GENERAL.—A taxpayer may elect to treat any qualified environmental remediation expenditure which is paid or incurred by the taxpayer as an expense which is not chargeable to capital account. Any expenditure which is so treated shall be allowed as a deduction for the taxable year in which it is paid or incurred.

''(b) QUALIFIED ENVIRONMENTAL REMEDIATION EXPENDITURE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified environmental remediation expenditure' means any expenditure—

''(A) which is otherwise chargeable to capital account, and

''(B) which is paid or incurred in connection with the abatement or control of hazardous substances at a qualified contaminated site.

''(2) SPECIAL RULE FOR EXPENDITURES FOR DEPRECIABLE PROPERTY.—Such term shall not include any expenditure for the acquisition of property of a character subject to the allowance for depreciation which is used in connection with the abatement or control of hazardous substances at a qualified contaminated site; except that the portion of the allowance under section 167 for such property which is otherwise allocated to such site shall be treated as a qualified environmental remediation expenditure.

''(c) QUALIFIED CONTAMINATED SITE.—For purposes of this section—

''(1) QUALIFIED CONTAMINATED SITE.—

''(A) IN GENERAL.—The term 'qualified contaminated site' means any area—

''(i) which is held by the taxpayer for use in a trade or business or for the production of income, or which is property described in section 1221(1) in the hands of the taxpayer,

''(ii) which is within a targeted area, and

''(iii) which contains (or potentially contains) any hazardous substance.

''(B) TAXPAYER MUST RECEIVE STATEMENT FROM STATE ENVIRONMENTAL AGENCY.—An area shall be treated as a qualified contaminated site with respect to expenditures paid or incurred during any taxable year only if the taxpayer receives a statement from the appropriate agency of the State in which such area is located that such area meets the requirements of clauses (ii) and (iii) of subparagraph (A).

''(C) APPROPRIATE STATE AGENCY.— For purposes of subparagraph (B), the appropriate agency of a State is the agency designated by the Administrator of the Environmental Protection Agency for purposes of this section. If no agency of a State is designated under the preceding sentence, the appropriate agency for such State shall be the Environmental Protection Agency.

''(2) TARGETED AREA.—

''(A) IN GENERAL.—The term 'targeted area' means—

''(i) any population census tract with a poverty rate of not less than 20 percent,

''(ii) a population census tract with a population of less than 2,000 if—

''(I) more than 75 percent of such tract is zoned for commercial or industrial use, and

''(II) such tract is contiguous to 1 or more other population census tracts which meet the requirement of clause (i) without regard to this clause,

''(iii) any empowerment zone or enterprise community (and any supplemental zone designated on December 21, 1994), and

''(iv) any site announced before February 1, 1996, as being included as a brownfields pilot project of the Environmental Protection Agency.

''(B) NATIONAL PRIORITIES LISTED SITES NOT INCLUDED.—Such term shall not include any site which is on the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this section).

''(C) CERTAIN RULES TO APPLY.—For purposes of this paragraph, the rules of sections 1392(b)(4) and 1393(a)(9) shall apply.

''(D) TREATMENT OF CERTAIN SITES.—For purposes of this paragraph, a single contaminated site shall be treated as within a targeted area if—

''(i) a substantial portion of the site is located within a targeted area described in

subparagraph (A) (determined without regard to this subparagraph), and

''(ii) the remaining portions are contiguous to, but outside, such targeted area.

''(d) HAZARDOUS SUBSTANCE.—For purposes of this section—

''(1) IN GENERAL.—The term 'hazardous substance' means—

''(A) any substance which is a hazardous substance as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and

''(B) any substance which is designated as a hazardous substance under section 102 of such Act.

''(2) EXCEPTION.—Such term shall not include any substance with respect to which a removal or remedial action is not permitted under section 104 of such Act by reason of subsection (a)(3) thereof.

''(e) DEDUCTION RECAPTURED AS ORDINARY INCOME ON SALE, ETC.—Solely for purposes of section 1245, in the case of property to which a qualified environmental remediation expenditure would have been capitalized but for this section—

''(1) the deduction allowed by this section for such expenditure shall be treated as a deduction for depreciation, and

''(2) such property (if not otherwise section 1245 property) shall be treated as section 1245 property solely for purposes of applying section 1245 to such deduction.

''(f) COORDINATION WITH OTHER PROVISIONS.—Sections 280B and 468 shall not apply to amounts which are treated as expenses under this section.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 198. Expensing of environmental remediation costs.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

SECTION-BY-SECTION ANALYSIS

TITLE I—ADDITIONAL EMPOWERMENT ZONES

Section 101 would authorize the designation of an additional two urban empowerment zones under the 1994 first round.

TITLE II—NEW EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

Section 201 authorizes a second round of designations, consisting of 80 enterprise communities and 20 empowerment zones. Of the 80 enterprise communities, 50 would be in urban areas and 30 would be in rural areas. Of the 20 empowerment zones, 15 would be in urban areas and 5 would be in rural areas. The designations would be made before January 1, 1998.

Certain of the eligibility criteria applicable in the first round would be modified for the second round of designations. First, the poverty criteria would be relaxed somewhat, so that unlike the first round there would be no requirement that at least 50 percent of the population census tracts have a poverty rate of 35 percent or more. In addition, the poverty criteria will not be applicable to areas specified in the application as developable for commercial or industrial purposes (1,000 acres in the case of an enterprise community, 2,000 acres in the case of an empowerment zone), and these areas will not be taken into account in applying the size limitations (e.g., 20 square miles for urban areas, 1,000 square miles for rural areas). The Secretary of Agriculture will be authorized to designate up to one rural empowerment zone and five rural enterprise communities based on specified emigration criteria without regard to the minimum poverty rates set forth in the statute. Rural census tracts in excess of 1,000 square miles or including a substantial amount of governmentally owned land may exclude such excess mileage or governmentally owned land from the nominated area. Unlike the first round, Indian reservations will be eligible to be nominated (and the nomination may be submitted by the reservation governing body without the State government's participation). The empowerment zone employment credit will not be available to businesses in the new empowerment zones, and the increased expending under section 179 will not be available in the developable acreage areas of empowerment zones.

Section 202 authorizes a new category of tax-exempt financing for financing for businesses in the new empowerment zones. These bonds, rather than being subject to the current State volume caps, will be subject to zone-specific caps. For each rural empowerment zones, up to $60 million in such bonds may be issued. For an urban empowerment zone with a population under 100,000, $130 million of these bonds may be issued. For each urban empowerment zone with a population of 100,000 or more, $230 million of these bonds may be issued.

Section 203 liberalizes the current definition of an ''enterprise zone business'' for purpose of the tax-exempt financing available under both the first and second rounds. Businesses will be treated as satisfying the applicable requirements during a 2-year start-up period if it is reasonably expected that the business will satisfy those requirements by the end of the start-up period and the business makes bona fide efforts to that end. Following the start-up period a 3-year testing period will begin, after which certain enterprise zone business requirements will no longer be applicable (as long as more than 35 percent of the business' employees are residents of the empowerment zone or enterprise community). The rules under which substantially renovated property may be ''qualified zone property,'' and thereby be eligible to be financed with tax-exempt bonds, would also be liberalized slightly.

Section 204 liberalizes the definition of enterprise business for purposes of both the tax-exempt financing provisions and the additional section 179 expensing by reducing from 80 percent to 50 percent the amount of total gross income that must be derived within the empowerment zone or enterprise community, by reducing how much of the business' property and employees' services must be located in or provided within the zone or community, and by easing the restrictions governing when rental businesses will qualify as enterprise zone businesses. A special rule is also provided to clarify how a business that straddles the boundary of an empowerment zone or enterprise community (e.g., by straddling a population census tract boundary) is treated for purposes of the enterprise zone business definition.

TITLE III—EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS

Section 301 would provide a current deduction for certain remediation costs incurred with respect to qualified sites. Generally, these expenses would be limited to those paid or incurred in connection with the abatement or control of environmental contaminants. This deduction would apply for alternative minimum tax purposes as well as for regular tax purposes.

Qualified sites would be limited to those properties that satisfy use, geographic, and contamination requirements. The use requirement would be satisfied if the property is held by the taxpayer incurring the eligible expenses for use in a trade or business or for the production of income, or if the property is of a kind properly included in the inventory of the taxpayer. The geographic requirement would be satisfied if the property is located in (i) any census tract that has a poverty rate of 20 percent or more, (ii) any other census tract (a) that has a population under 2,000, (b) 75 percent or more of which is zoned for industrial or commercial use, and (c) that is contiguous to one or more census tracts with a poverty rate of 20 percent or more, (iii) an area designated as a federal EZ or EC, or (iv) an area subject to one of the 40 EPA Brownfields Pilots announced prior to February 1996. Both urban and rural sites may qualify. Superfund National Priority listed sites would be excluded.

The contamination requirement would be satisfied if hazardous substances are present or potentially present on the property. Hazardous substances would be defined generally by reference to sections 101(14) and 102 of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), subject to additional limitations applicable to asbestos and similar substances within buildings, certain naturally occurring substances such as radon, and certain other substances released into drinking water supplies due to deterioration through ordinary use.

To claim the deduction under this provision, the taxpayer would be required to obtain a statement that the site satisfies the geographic and contamination requirements from a State environmental agency designated by the Environmental Protection Agency for such purposes or, if no such agency has been designated by the EPA, by the EPA itself.

This deduction would be subject to recapture under current-law section 1245. Thus, any gain realized on disposition generally would be treated as ordinary income, rather than capital gain, up to the amount of deductions taken with respect to the property.

Mr. D'AMATO. Mr. President, I rise today to join my friend and colleague, Senator MOSELEY-BRAUN, in introducing legislation that will provide a new tax incentive to encourage the private sector to clean up thousands of contaminated, abandoned sites known as ''brownfields.'' Brownfield sites are abandoned or vacant commercial and industrial properties suspected of being environmentally contaminated.

Under current law, the IRS has determined that costs incurred to clean up land and ground water are deductible as business expenses, as long as the costs are incurred by the same taxpayer that contaminated the land, and that taxpayer plans to use the land after the cleanup for the same purposes used prior to the cleanup. That means that new owners who wish to use land suspected of environmental contamination for a new purpose, would be precluded from deducting the costs of cleanup in the year incurred. They would only be allowed to capitalize the costs and depreciate them over time. Therefore, it is time for us to recognize the need for aggressive economic development policies for the future economic health of communities around the country, and to recognize the inequity of current tax law. Senator MOSELEY-BRAUN and I believe that our

legislation is the type of initiative the Federal Government needs to encourage development of once-abandoned, unproductive sites that will bring real economic benefits to urban distressed and rural areas across the United States. By encouraging redevelopment, jobs will be created, economic growth will continue, property values will increase, as well as local tax revenues.

Mr. President, I am proud to say that in my State of New York, the city of Elmira has been selected as a fourth round finalist for the EPA's Brownfields Economic Redevelopment Initiative Demonstration Pilot Program. The city of Elmira has primed an unsightly and unsafe urban brownfield and is now in the final stages of turning it into a revenue and jobs producing venture. The city of Elmira initiated this important project with no guarantees of public or private funding and has done this at very minimal cost to taxpayers. Can you imagine what could and would be done if the public and private sector had the encouragement to also become involved?

Mr. President, I urge my colleagues on both sides of the aisle to join Senator MOSELEY-BRAUN and me in cosponsoring this important legislation.

Mr. JEFFORDS. Mr. President, I am pleased to join with Senators MOSELEY-BRAUN and D'AMATO to introduce a bill that will give tax incentives to businesses that cleanup these contaminated industrial sites known as brownfields. This bill will put us on a path that will bring environmental renewal and economic revitalization to our communities.

Mr. President, brownfields are like scars on the American landscape, a legacy of the dramatic shift of industry from inner cities to suburban greenfields during the 1970's and 1980's. Once bustling factories are now abandoned eyesores. In communities across the country, some 500,000 abandoned and contaminated sites and facilities are in desperate need of revitalization.

Vermont may not have as many brownfield sites as some of the more industrial States, but we are just as interested in seeing these cites cleaned up and put back to use. In Vermont, we see the reuse of brownfield sites as a way to keep development downtown and reduce the pressure to pave pastureland.

Mr. President, we treasure our open spaces in Vermont and this legislation will give incentives to companies around the country to invest in the downtowns of our States. When a company builds a facility on a brownfield site it takes advantage of existing infrastructure. The revitalization of a brownfield site means one less farm or field is paved over or forest cut down for the sake of a new plant or facility.

The redevelopment of brownfield sites also has important social implications for our towns and cites. It means that jobs stay downtown and that our urban centers can continue to be places of commerce and social interaction. I am pleased that the EPA recently awarded one of its brownfields pilot projects to Burlington, VT.

Mr. President, since the early 1800's, Burlington has been the largest and most important industrial center of Vermont and the Lake Champlain region. The city is among the least well-off in the State and was recently designated as an Urban Enterprise Community.

There are currently 19 polluted commercial and industrial sites in Burlington. The city now has only one unpolluted site available for industrial development. The lack of sites has been a major obstacle in the city's efforts to attract quality jobs and has contributed to the development of prime agricultural soil, suburban sprawl, and all the associated environmental problems. Mr. President, most of the city's brownfields are located either within or adjacent to low- and moderate-income neighborhoods, contributing to a trend of disinvestment and increased health hazards.

While this legislation won't solve all of our problems, it is an important step in the right direction and I urge my colleagues to join us in cosponsoring this significant bill.

By Mr. PRYOR:

S. 1912. A bill to clarify the provision of section 3626(b) of title 39, United States Code, defining an ''institution of higher education''; to the Committee on Governmental Affairs.

ELDERHOSTEL CATALOG LEGISLATION

Mr. PRYOR. Mr. President, to day I am introducing legislation that will address a situation facing Elderhostel. Elderhostel, for those who have not heard of this organization, is an independent, non-profit organization which operates a central course catalog and registration system for college level classes for people over the age of 60. These courses are sponsored by colleges and universities at more than 1,900 colleges, universities, museums, national parks, and environmental education centers in the United States, Canada, and 47 other countries. Elderhostel receives no Federal or State support.

Elderhostel provides easy access to these continuing education programs through the mailing of its course catalog. Unfortunately, a U.S. Postal Service definition prevents Elderhostel from mailing their catalog at a second-class catalog rate. This catalog rate is used, for example, by the American Bar Associations' continuing legal education material. Elderhostel is barred from using that rate because rather than being a catalog of one institution of higher learning, it is a compilation of courses offered by otherwise eligible ''regularly incorporated non-profit institutions of learning.''

The legislation I am introducing today simply expands the definition of an institution of higher education eligible to mail at second-class rates to include a nonprofit organization that coordinates a network of college level courses that non-profit colleges and universities offer to older adults. The National Federal of Nonprofits, the Advertising Mail Marketing Association and the Direct Marketing Association have no objection to this legislation.

Mr. President, this bill solves a problem caused by the fact that Elderhostel does not fit neatly into the Postal Services' definitions and I urge my colleagues to support the bill.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 1913. A bill to establish the Lower East Side Tenement Museum National Historic Site, and for other purposes; to the Committee on Energy and Natural Resources.

THE LOWER EAST SIDE TENEMENT MUSEUM NATIONAL HISTORIC SITE ACT OF 1996

Mr. D'AMATO. Mr. President, most of us have heard the stories of how the great wave of immigrants of generations ago entered our Nation, but few really know what happened to them after Ellis Island. At the Lower East Side Tenement Museum at 97 Orchard Street in New York City, one is able to follow the lives of the immigrants beyond the first hours on our shores. The museum tells their history, displays their courage and showcases their values in an interpretive setting that brings the visitor back to an era from which many of us came. The museum presents to many of us an awareness of our ancestral roots that we may never have known existed. Through the legislation being introduced by my friend Senator MOYNIHAN and I, the museum will be declared a national historic site and able to affiliate itself with the National Park Service. Enactment of this legislation will bestow national recognition on the humble beginnings of millions of our ancestors.

The Tenement Museum is unique in that it not only traces the quality of life inside the tenement, but presents a picture of the immigrant's outside world as well. Due to the cramped and dingy nature of the tenement, as much time as possible was spent outside. Thus, in order to fully explore their lives, it is essential to look toward their work, their houses of worship, their organizations, and their entertainment. The museum incorporates the experiences of yesteryear's immigrants and interprets them for today's generations. Besides on-site programs, the museum utilizes the surrounding neighborhood; an area which continues to this day in its role as a receiver of immigrants.

Throughout our Nation we have preserved, remembered and cherished places of national significance and beauty. We have put enormous energy in maintaining homes of noted Americans and protecting vast areas of wilderness. What we do not have, though, is a monument to the socalled ''ordinary citizen.'' The Tenement Museum will fill that role.

It is unlikely that many of those who lived in buildings like the one at 97 Orchard Street felt that they were special. Rather, they were probably grateful for the chance to come to America to try to make a better life for themselves and their families. Given the living and working conditions that we now take for granted, the language and cultural obstacles they had to overcome, we should be in awe of their ability to take hold of an opportunity and not only survive, but thrive. It is their contributions to society in the face of overwhelming obstacles that defined an era and established an ethic that survives to this day. It is their spirit that we admire, and that, in retrospect, makes these otherwise ordinary individuals special. The Tenement Museum is their monument, and as their descendants, it is ours as well.

Congress has an opportunity to recognize the pioneer spirit of our ancestors and deliver it to future generations of Americans. The museum reminds us all of an important and often forgotten chapter in our immigrant heritage, mainly, that millions of families made their first stand in our Nation not in a log cabin or farm house or mansion, but in a city tenement. Designating the Lower East Side Tenement Museum a National Historic Site and granting it affiliated area status within the National Park Service will shed light on that chapter in our history while linking it to the chain of the Statue of Liberty, Ellis Islands and Castle Clinton in the story of our urban immigrant heritage. I urge my colleagues to join Senator MOYNIHAN and me in cosponsoring this bill, and I urge its speedy consideration by the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1913

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 ''Lower East Side Tenement Museum National Historic Site Act of 1996''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Lower East Side Tenement Museum at 97 Orchard Street is an outstanding survivor of the vast number of humble buildings that housed immigrants to New York City during the greatest wave of immigration in American history;

(2) the Museum is well suited to represent a profound social movement involving great numbers of unexceptional but courageous people;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants;

(4) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life on the Lower East Side and its importance to United States history, within a neighborhood long associated with the immigrant experience in America; and

(5) the National Park Service found the Lower East Side Tenement Museum to be nationally significant, suitable, and feasible for inclusion in the National Park System.

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

(1) to ensure the preservation, maintenance, and interpretation of this site and to interpret in the site and in the surrounding neighborhood, the themes of early tenement life, the housing reform movement, and tenement architecture in the United States;

(2) to ensure the continuation of the Museum at this site, the preservation of which is necessary for the continued interpretation of the nationally significant immigrant phenomenon associated with the New York City's Lower East Side, and its role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton National Historic Monument and Ellis Island National Historic Monument through cooperation with the Museum.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) HISTORIC SITE.—The term ''historic site'' means the Lower East Side Tenement Museum designated as a national historic site by section 4.

(2) MUSEUM.—The term ''Museum'' means the Lower East Side Tenement Museum at 97 Orchard Street, New York City, in the State of New York, and related facilities owned or operated by the Museum.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 4. ESTABLISHMENT OF HISTORIC SITE.

To further the purposes of this Act and the Act entitled ''An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes'', approved August 21, 1935 (16 U.S.C. 461 et seq.), the Lower East Side Tenement Museum at 97 Orchard Street, in the city of New York, State of New York, is designated as a national historic site.

SEC. 5. COOPERATIVE AGREEMENT.

(a) IN GENERAL.—The Secretary may enter into a cooperative agreement with the Lower East Side Tenement Museum to carry out this Act.

(b) TECHNICAL AND FINANCIAL ASSISTANCE.—The agreement may include provisions by which the Secretary will provide—

(1) technical assistance to mark, restore, interpret, operate, and maintain the historic site; and

(2) financial assistance to the Museum to mark, interpret, and restore the historic site, including the making of preservation-related capital improvements and repairs.

(c) ADDITIONAL PROVISIONS.—The agreement may also contain provisions that permit the Secretary acting through the National Park Service, to have a right of access at all reasonable times to all public portions of the property covered by the agreement for the purpose of conducting visitors through the properties and interpreting the portions to the public.

SEC. 6. APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. MOYNIHAN. Mr. President, I rise to join my friend and colleague Senator D'AMATO in introducing a bill that will authorize a small but most significant addition to the National Park System by designating the Lower East Side Tenement Museum a national historic site. For 150 years New York City's Lower East Side has been the most vibrant, populous, and famous immigrant neighborhood in the Nation. From the first waves of Irish and German immigrants to Italians and Eastern European Jews to the Asian, Latin, and Caribbean immigrants arriving today, the Lower East Side has provided millions their first American home.

For many of them that home was a brick tenement; six or so stories, no elevator, maybe no plumbing, maybe no windows, a business on the ground floor, and millions of our forbearers upstairs. The Nation has with great pride preserved log cabins, farm houses, and other symbols of our agrarian roots. We have reopened Ellis Island to commemorate and display the first stop for 12 million immigrants who arrived in New York City.

Until now we have not preserved a sample of urban, working class life as part of the immigrant experience. For many of those who disembarked on Ellis Island the next stop was a tenement on the Lower East Side, such as the one at 97 Orchard Street. It is here that the Lower East Side Tenement Museum will show us what that next stop was like.

The tenement at 97 Orchard was built in the 1860s, during the first phase of tenement construction. It provided housing for 20 families on a plot of land planned for a single family residence. Each floor had four three-room apartments, each of which had two windows in one of the rooms and none in the others. The privies were out back, as was the spigot that provided water for everyone. The public bathhouse was down the street.

In 1900 this block was the most crowded per acre on earth. Conditions improved after the passage of the New York Tenement House Act of 1901, though the crowding remained. Two toilets were installed on each floor. A skylight was installed over the stairway and interior windows were cut in the walls to allow some light throughout each apartment. For the first time the ground floor became commercial space. In 1918 electricity was installed. Further improvements were mandated in 1935, but the owner chose to board the building up rather than follow the new regulations. It remained boarded up for 60 years until the idea of a museum took hold.

The Tenement Museum will keep at least one apartment in the dilapidated condition in which it was found when reopened, to show visitors the process of urban archeology. Others will be restored to show how real families lived at different periods in the building's history. At a nearby site there will be interpretive programs to better explain the larger experience of gaining a foothold on America in the Lower East Side of New York.

There are also plans for programmatic ties with Ellis Island and its precursor, Castle Clinton. And the Museum plans to play an active role in the immigrant community around it,

further integrating the past and present immigrant experience on the Lower East Side.

This bill designates the Tenement Museum a national historic site. It also authorizes the Secretary of the Interior to enter into cooperative agreements with the Museum. Such agreements could include technical or financial assistance to help restore, operate, maintain, or interpret the site. Agreements can also be made with the Statue of Liberty/Ellis Island and Castle Clinton to help with the interpretation of life as an immigrant. It will be a productive partnership.

Mr. President, I believe the Tenement Museum provides an outstanding opportunity to preserve and present an important stage of the immigrant experience and the move for social change in our cities at the turn of the century. I know of no better place than 97 Orchard Street to do so, and no other place in the National Park System doing so already. I look forward to the realization of this grand idea, and I ask my colleagues for their support.

By Mr. HATCH:

S. 1914. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment of research related to an existing business component; to the Committee on Finance.

CLARIFICATION LEGISLATION

Mr. HATCH. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF RESEARCH ON EXISTING BUSINESS COMPONENTS ELIGIBLE FOR RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (C) of section 41(d)(4) of the Internal Revenue Code of 1986 (relating to activities for which credit is not allowed) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to research related to the development of a business component of a taxpayer which is an original alternative to achieve the equivalent result of an existing business component of a competitor of the taxpayer.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. JEFFORDS:

S. 1915. A bill to amend the Endangered Species Act of 1973 to prohibit the sale of products labeled as containing endangered species, and for other purposes; to the Committee on Environment and Public Works.

THE RHINO AND TIGER PRODUCTS LABELING ACT

Mr. JEFFORDS. Mr. President, it gives me great pleasure today to introduce legislation aimed at helping to stem the dramatic decrease in populations of some of the Earth's most exotic and magnificent animals. Animals such as the African black rhino, the white rhino, the Bengal tiger and other endangered species are on the brink of extinction. Rhinos and tigers are disappearing faster than any other large mammal on the planet. No more than 5,000 to 7,500 Bengal tigers and fewer than 650 Sumatran tigers remain in the world.

Ironically, in many ways their rarity and mystique are contributing to the problem. The parts of these animals are advertised as having powerful medicinal qualities. For example, tiger bone and rhino horn are considered to calm convulsions and enhance longevity. The business of trade in endangered species parts and products is becoming big business and encouraging increased poaching of these animals—threatening international recovery efforts. A booming underground market has developed around the trade of endangered species parts and products.

Mr. President, today I am introducing a bill that will address a remaining loophole in the Endangered Species Act that allows the sale of products labeled as containing endangered species. My legislation will amend section 9 of the Endangered Species Act to prohibit the sale of products labeled as containing any species of fish or wildlife listed in Appendix I of the Convention on International Trade in Endangered Species.

Through this legislation, we will be addressing the increasing trade in endangered species in two ways—first, by giving U.S. law enforcement officers the ability to prosecute the retailers of these products; and—second, by curbing the marketing of endangered species parts as key ingredients in medicinal products.

First, there is currently no legal mechanism to confiscate or prosecute for sale or display of these products once they are on store shelves. Through this legislation, law enforcement officers will be able to start addressing the increasing promotion and sale of products labeled as containing endangered species.

By addressing the marketing of these products, this legislation will help curb the expanding domestic U.S. market for medicines that contain, or claim to contain, endangered species parts. By allowing these products to remain on the shelves of stores across the country, we are perpetuating the reliance upon and perception of the efficacy of endangered species I addressing health ailments. Again, this perception is fueling increased poaching and smuggling of endangered species around the world.

Mr. President, in order to eliminate the domestic market for patented medicines and other products containing critically endangered tigers, rhinos and other species, and to increase the success and frequency of prosecutions of merchants and traffickers of these items, this change in current law is needed. Let us send a message to these merchants and traffickers of endangered species that the United States will not help feed the global demand for endangered species. Mr. President, let us send a strong and forceful message to our wildlife enforcement officers that we support their efforts to stem the increasing trade in these magnificent animals.

By Mr. DEWINE:

S. 1916. A bill to authorize the Secretary of the Army to convey to the village of Mariemont, OH, a parcel of land referred to as the ''Ohio River Division Laboratory of the Army Corps of Engineers'', and for other purposes; to the Committee on Environment and Public Works.

THE ARMY CORPS OF ENGINEERS LEGISLATION

Mr. DEWINE. Mr. President, I rise to introduce a bill that provides for the transfer of 3.22 acres of land owned by the Army Corps of Engineers at an appraised value to the Village of Mariemont, OH. The proceeds of the sale will be deposited in the general fund of the Treasury and credited as miscellaneous receipts. The General Services Administration conducted a 30-day Federal screening of the property and informed the minority side of the Governmental Affairs Committee and me that no Federal agency expressed interest in the property.

By Mr. ABRAHAM (for himself and Mr. SHELBY):

S. 1917. A bill to authorize the State of Michigan to implement the demonstration project known as ''To Strengthen Michigan Families''; to the Committee on Finance.

MICHIGAN WELFARE WAIVER LEGISLATION

Mr. ABRAHAM. Mr. President, I rise today along with my colleague from Alabama, Senator SHELBY, to introduce legislation that will allow the State of Michigan to proceed with the third phase of its comprehensive welfare reform program, known as ''To Strengthen Michigan Families.'' This legislation is similar to legislation which recently passed the House of Representatives that authorized the State of Wisconsin to proceed with its latest welfare reform initiatives without requiring formal waiver approval by the U.S. Department of Health and Human Services.

In 1992, Michigan began a comprehensive overhaul of its welfare reform programs. This effort, called ''To Strengthen Michigan Families,'' was guided by four major principles that distinguished it from existing Federal welfare policy.

First, Michigan sought to eliminate many of the existing disincentives for welfare recipients to find work and to earn money.

Second, Michigan proposed to end the elements in the current system which serve either as an incentive for families to split up or as a disincentive for couples to become or to remain married.

Third, Michigan sought to instill increased personal responsibility among welfare recipients by making greater demands of them with respect to finding work or obtaining the education

and skills necessary to finding future employment.

Fourth, Michigan sought to supplement these changes in personal and familial behavior with a commitment to greater involvement on the part of community-based institutions, especially faith-based organizations.

With reforms in each of these areas, Michigan began its crusade to end long-term, chronic welfare dependency. It required executive action by the Governor, acts of the State Legislature, and waivers from HHS from many burdensome or counterproductive regulations that were symptomatic of the existing failed system. And in 1994, Michigan enacted and began implementation of its second set of comprehensive welfare reforms, building on the foundation established by the original reform initiatives.

The results of Michigan's reforms to date have been impressive and demonstrate Michigan's success in moving people off of welfare. Michigan's AFDC caseload has dropped from 221,884 cases in September 1992 to 176,634 cases in May 1996—a decrease of 45,250 cases. The current AFDC caseload level is the lowest in nearly 25 years in Michigan. Caseloads in our State have decreased for 26 straight months and have fallen by more than 20 percent over the past 2 years.

There is similar evidence that Michigan's emphasis on placing welfare recipients into employment activities has been effective. During fiscal year 1994 alone, nearly 30,000 individuals were placed into employment. In addition, by January 1996, the number of cases with earned income had risen to 31.1 percent, compared to the 15.7 percent of cases with earned income in September 1992. The most recent figures available—May 1996—for percentage of caseload with earned income is 29.1 percent. Since September 1992, over 90,000 AFDC cases have been closed as a result of earned income from employment.

In developing the latest round of reform initiatives, Michigan created advisory committees to make policy recommendations in four core areas of public assistance: AFDC and other cash assistance, child care, child protection, and Medicaid. These advisory committees were each comprised of 50 to 100 people selected to represent a broad cross-section of community leaders, service providers and advocates, and users of services. These advisory committees conducted over 400 focus group meetings involving more than 4,000 participants. Their objective was to analyze the current system and identify barriers to greater program efficiency and to moving people more quickly and compassionately from welfare to self-sufficiency.

The advisory committees were a key reason why these reforms received such strong bipartisan support in the Michigan State Legislature. The Michigan State Senate adopted the reform package on a vote of 30 to 7. The State house of representatives passed the legislation by a margin of 85 to 22.

In the latest series of reforms, we impose tougher requirements on welfare recipients, but we also pledge more assistance—including child care, transportation and health care—in helping those who are attempting to make the transition from welfare to work. The goal is not to punish people who receive welfare. Rather, we believe people who are in need of assistance and receive it have some important responsibilities of their own. We stand ready to assist them as long as they are willing to make genuine efforts toward becoming self-sufficient.

Mr. President, if Congress and the President cannot agree on comprehensive welfare reform legislation at the national level, I believe individual States must be allowed to implement their own bold and innovative new approaches to ending welfare dependency. Under the present system, States are required to obtain prior approval from HHS before they implement many types of reform. The latest package of Michigan reforms would require 76 waivers. When you consider that during the 3½ years of the Clinton administration HHS has only approved 67 waivers nationwide, there is tremendous concern as to how long it will likely take for all of Michigan's waivers to become approved—if they ever are all approved.

The bill I am introducing today will provide the State of Michigan the latitude it needs and deserves to conduct effective welfare reform until it can be enacted at the national level. As I discussed earlier in my remarks, Michigan's leadership in the area of welfare reform is well-known. To date, the reforms have been very successful—both in moving people off of welfare and in improving the quality of life for those who remain on welfare. The latest round of reforms follows in the tradition of tough but compassionate welfare policies that we in Michigan started in 1992. The people of Michigan deserve to be allowed to move forward expeditiously with these latest reform initiatives.

It is my hope that the Clinton administration will move quickly to approve all of the necessary waivers that have been requested. If that does not happen, the legislation that I have introduced in the Senate today—and that my friend and colleague Representative DAVE CAMP is introducing today in the other body—will be available for us to bring to the floor for debate and hopefully passage.

Mr. President, I ask unanimous consent that an analysis of the reforms included in the most recent proposed reforms in the Michigan program be included in the RECORD.

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

MICHIGAN'S LATEST ROUND OF PROPOSED WELFARE REFORMS IN THE ''TO STRENGTHEN MICHIGAN FAMILIES'' PROGRAM

The third phase of Michigan's ongoing efforts at comprehensive welfare reform, called ''To Strengthen Michigan's Families,'' passed the Michigan State Legislature and were signed into law by Governor Engler in December 1995. These reforms affect five major Federal public assistance programs: AFDC, Food Stamps, Medicaid, child day care, and refugee assistance.

The proposed reforms require a total of—at last count—76 waivers approved by the Department of Health and Human Services. The major components of the reform package fall into four general categories:

(1) Increased Personal Responsibility for Individuals Receiving Assistance:

Require attendance for all adult AFDC, Food Stamps, and State General Assistance applicants/recipients at a joint orientation meeting with Family Independence Agency and Michigan Job Commission personnel as a condition for eligibility.

Require recipients to enter into a Family Independence Contract.

Require compliance with work activity requirements within 60 days. Failure to comply will result in the loss of the family's AFDC benefits and food stamps for a minimum of one month and until there is compliance with work requirements.

Require teen parents to live in an adult-supervised setting and stay in school. Failure to comply will result in case closure.

(2) Assistance and Incentives for Those Seeking Employment:

Provide greater employment-related services.

Guarantee access to child care.

Guarantee transportation.

Guarantee access to health care for anyone leaving welfare for work.

Provide more resources to welfare recipients who work by providing monthly EITC payments instead of one lump sum payment.

(3) Remove Unnecessary or Overly Burdensome Regulations:

Provide for a vastly simplified application form—reduced from the current 30 pages to 6 pages in length.

Provide for the most dramatic simplification of AFDC, Food Stamps, and Medical Assistance anywhere in the country.

Streamline services by establishing a single point of contact with the welfare office for each welfare recipient—regardless of the mix of benefits received.

(4) Strengthening Families and Increasing Community Involvement:

Provide additional funding for prevention services to help keep children safe and strengthen families.

Allow faith-based organizations to work with communities to address the needs of welfare recipients.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. CHAFEE, Mr. BAUCUS, Mr. SIMPSON, Mr. CONRAD, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRYOR, Mr. GRAHAM, Mr. BREAUX, Mr. GRAMM, Mr. D'AMATO, Mr. HATCH, Mr. PRESSLER, and Mr. LOTT):

S. 1918. A bill to amend trade laws and related provisions to clarify the designation of normal trade relations; to the Committee on Finance.

THE NORMAL TRADE RELATIONS ACT

Mr. ROTH. Mr. President, since the founding of our Republic, the cornerstone of United States international trade policy has been the principle of nondiscrimination. What this principle means is that every country will give equal treatment to all products it imports from any other country. For example, the United States applies the same tariff duty rate on a particular product imported from one country as it applies to imports of the same product from all other countries.

However, the principle of nondiscrimination goes beyond just trade in goods. For example, if a foreign company wants to set up a branch in the United States, it is subject to the same rules for establishing and running its operations as companies from all other countries operating in the United States.

The traditional term for this principle of nondiscrimination is most-favored-nation treatment, or MFN for short. This term is rooted in a very old concept in international law which states that in trade relations, all countries will receive the same treatment as the most favored nation.

While the term ''most-favored-nation'' is very old, it is a misnomer that has created much confusion as to its exact meaning. There is no such thing as a most favored nation—it is merely a hypothetical concept. Yet, many mistakenly believe that a country that has MFN status is being singled out for special status or preferential treatment.

Despite its name, however, MFN is not a special trading privilege or reward, nor is it the most favorable trade treatment that the United States gives to its trading partners. Rather, MFN refers to the uniform trade treatment that the United States gives to nearly every country in the world. Because there are only seven countries in the world to which the United States does not give MFN status, MFN denotes the ordinary, not the exceptional, trading relationship.

To help correct the misconception created by the term ''most-favored-nation'', Senator MOYNIHAN and Senator CHAFEE have argued for some time that the term should be changed. I agree with my colleagues that a better term is needed. After working with them and Senator BAUCUS on this issue, I am now introducing a bill, with the cosponsorship of the entire membership of the Committee on Finance, that would establish a new term—''normal trade relations'' as a more accurate description in U.S. law and regulation of the principle of nondiscrimination. Creating this new term does not in any way alter the international rights and obligations of the United States. Rather, we merely seek to clarify that the principle of nondiscrimination under U.S. law denotes the standard and normal trade relationship that we have with nearly every country in the world.

I urge my colleagues to support this modest, but important piece of legislation.

Mr. MOYNIHAN. Mr. President, today I join with the chairman of the Committee on Finance in introducing legislation to bring new clarity to the muddled language of U.S. trade policy. The unanimity of support for this legislation is demonstrated by the fact that each and every Member of the Finance Committee is an original cosponsor.

Since the 18th century, the United States has pursued a policy of nondiscrimination among its trading partners. This policy has created considerable equality in the trading conditions we extend to the great majority of countries with which we trade. If the United States has normal trade relations with a country, that country receives treatment equal to most others under our trade laws.

The legislation we introduce today is designed to call this policy of equal treatment what it is—normal trade relations. For it has become increasingly clear that the 18th century term used to describe this policy of equal treatment, the term that still prevails in our international agreements, our laws, and our usage, has served only to confuse. By confusing, it is complicating the conduct of American foreign trade policy.

Much of international and American law would have one believe that there is a select handful of countries that are most favored. Not at all the case, so it is time to stop suggesting so.

The legislation we introduce today states that it is the sense of the Congress that henceforth U.S. law should more clearly reflect the underlying principles of U.S. trade policy by substituting the term ''normal trade relations'' for the term ''most-favored-nation.'' In each instance in U.S. trade law where it is appropriate to make such a change, the legislation does so.

To our trading partners, let me say that there is no intention to alter our international rights or obligations by virtue of this legislation. ''MFN'' is a term with a long history of application and interpretation. We mean no substantive change here. Our purpose is solely linguistic—to change the language, not the content, or our trade policy so that it is more comprehensible.

I hope the Senate will have an opportunity to act on this legislation soon. I commend it to the attention of the Senate.

By Mr. MURKOWSKI:

S. 1920. A bill to amend the Alaska National Interest Lands Conservation Act, and for other purposes: to the Committee on Energy and Natural Resources.

THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT AMENDMENT ACT OF 1996

• Mr. MURKOWSKI. Mr. President, today I introduce legislation to amend the Alaska National Interest Lands Conservation Act [ANILCA]. I introduce this so that we can return to the original intentions of the act and clarify the blurring of lines that have occurred over the years.

Fifteen years ago, Congress enacted the ANILCA. Over the opposition of many Alaskans, over 100 million acres of land was set aside in a series of vast Parks, Wildlife Refuges, and Wilderness units. Much of the concern about the act was the impact of these Federal units, and related management restrictions, on traditional activities and lifestyles.

To allay these concerns, ANILCA included a series of unique provisions designed to ensure that traditional activities and lifestyles would continue, that Alaskans would not be subjected to a permit lifestyle, and that the agencies would be required to recognize the crucial distinction between managing small units surrounded by millions of people in the lower 48 and vast multi-million acre units encompassing a relative handful of individuals and communities in Alaska. The sponsors of ANILCA issued repeated assurances that the establishment of these units would in fact protect traditional activities and lifestyles and not place them in jeopardy.

Early implementation of the act closely reflected these promises. However, as the years have passed, many of the Federal managers seem to have lost sight of these important representations to the people of Alaska. Agency personnel, trained primarily in lower 48 circumstances, have brought the mentality of restriction and regulation to Alaska. The critical distinctions between management of Parks, Refuges and Wilderness areas in the 49th State and the lower 48 have blurred. The result is the spread of restriction and regulation and the creation of the exact permit lifestyle which we were promised would never happen.

I have become increasingly aware of this disturbing trend. In my conversations with Alaskans, I hear many complaints about every increasing restraints on traditional activities and requirements for more and more paperwork and permits. A whole new industry has sprung up to help Alaskans navigate the bureaucratic shoals that have built up during the past few years.

Let me cite a few of the incidents that have come to our attention and were discussed last year during oversight hearings held by the Committee on Energy and Natural Resources. The U.S. Fish and Wildlife Service decides it wants to establish a wilderness management regime and eliminate motorboat use on a river. It proceeds with the plan until protests cause the Regional Solicitor to advise the Service that its plan violates section 1110(a) of ANILCA. Owners of cabins built, occupied, and used long before ANILCA are told they must give up their interests in the cabins although section 1303 expressly enables cabin owners to retain

their possessory interests in their cabins. Visitor services contracts are awarded and then revoked because the agencies failed to adhere to the requirements of section 1307. Small landowners of inholdings seek to secure access to their property and are informed that they must file for a right-of-way as a transportation and utility system and pay the U.S. hundreds of thousands of dollars to prepare a totally unnecessary environmental impact statement. An outfitter spends substantial time and money responding to a request for proposals, submits an apparently winning proposal, and has the agency arbitrarily change its mind and decide to withdraw its request—it does not offer to compensate the outfitter for his efforts.

State fish and game regulations are circumvented by agency review boards that give benefits to guide applicants willing to limit their take of animals consistent with the Federal agencies' desires rather than management rules of the Alaska Game Board.

Mr. President, the legislation I introduce today will ensure that agencies are fairly implementing ANILCA consistent with its written provisions and promises. These technical corrections to ANILCA will ensure that its implementation is consistent with the intent of Congress.

Mr. President, conditions have changed in the 15 years since the passage of ANILCA and we have all had a great deal of experience with the act's implementation. It is time to make the law clearer and to make the Federal manager's job easier. We want to turn to the original intent of Congress in some cases to make sure that intent is being carried out.

Next month I plan on holding a hearing on this bill and look forward to gaining the support of my colleagues for passage of this legislation.●

ADDITIONAL COSPONSORS

S. 814

At the request of Mr. MCCAIN, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 814, a bill to provide for the reorganization of the Bureau of Indian Affairs, and for other purposes.

S. 1044

At the request of Mrs. KASSEBAUM, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1044, a bill to amend title III of the Public Health Service Act to consolidate and reauthorize provisions relating to health centers, and for other purposes.

S. 1304

At the request of Mr. MCCAIN, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1304, a bill to provide for the treatment of Indian tribal governments under section 403(b) of the Internal Revenue Code of 1986.

S. 1487

At the request of Mr. GRAMM, the names of the Senator from Utah [Mr. HATCH and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1487, a bill to establish a demonstration project to provide that the Department of Defense may receive medicare reimbursement for health care services provided to certain medicare-eligible covered military beneficiaries.

S. 1578

At the request of Mr. FRIST, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 1578, a bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1628

At the request of Mr. BROWN, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1628, a bill to amend title 17, United States Code, relating to the copyright interests of certain musical performances, and for other purposes.

S. 1660

At the request of Mr. GLENN, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1660, a bill to provide for ballast water management to prevent the introduction and spread of nonindigenous species into the waters of the United States, and for other purposes.

S. 1743

At the request of Mr. BINGAMAN, the names of the Senator from Arizona [Mr. MCCAIN and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1898

At the request of Mr. DOMENICI, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1898, a bill to protect the genetic privacy of individuals, and for other purposes.

S. 1899

At the request of Mr. MURKOWSKI, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1899, a bill entitled the ''Mollie Beattie Alaska Wilderness Area Act''.

SENATE JOINT RESOLUTION 52

At the request of Mr. KYL, the names of the Senator from Louisiana [Mr. BREAUX and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

AMENDMENT NO. 4083

At the request of Mr. GRAMM the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of amendment No. 4083 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.

AMENDMENT NO. 4111

At the request of Mr. COCHRAN his name was added as a cosponsor of amendment No. 4111 intended to be 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.

AMENDMENT NO. 4177

At the request of Mr. HARKIN the names of the Senator from North Dakota [Mr. CONRAD], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of amendment No. 4177 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.

AMENDMENT NO. 4203

At the request of Mr. GLENN the names of the Senator from North Carolina [Mr. HELMS and the Senator from New York [Mr. D'AMATO] were added as cosponsors of amendment No. 4203 intended to be 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.

AMENDMENT NO. 4218

At the request of Mr. LAUTENBERG the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of amendment No. 4218 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.

AMENDMENT NO. 4349

At the request of Mr. NUNN the names of the Senator from Iowa [Mr. HARKIN and the Senator from Utah [Mr. HATCH] were added as cosponsors of amendment No. 4349 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 CONCURRENT RESOLUTION 66—RELATIVE TO WELFARE REFORM

Mr. WELLSTONE (for himself, Mr. KENNEDY, Mrs. MURRAY, Mr. WYDEN, Mr. FEINGOLD, Mr. AKAKA, Mr. SIMON, and Mr. SARBANES) submitted the following concurrent resolution; which was referred to the Committee on Finance.

S. CON. RES. 66

Whereas, in enacting the Violence Against Women Act, the Congress recognized the epidemic of violence that affects all aspects of women's lives;

Whereas violence against women is the leading cause of physical injury to women, and the Department of Justice estimates that every year more than 1,000,00 violent crimes against women, including assault, rape, and murder, are committed by intimate partners of the women;

Whereas the American Psychological Association has reported that violence against women is usually witnessed by the children of the direct victims, and that such child witnesses suffer severe psychological, cognitive, and physical damage, and studies have shown that children residing in battered mothers' homes are 15 times more likely to be physically abused or neglected, and male children residing in such homes are 3 times more likely to be violent with their female partners when they reach adulthood.

Whereas violence against women dramatically affects women's workforce participation, insofar as ¼ of battered women surveyed reported that they had lost a job due, at least in part, to the effects of domestic violence, and that over ½ of battered women reported that they had been harassed by their abuser at work;

Whereas violence against women is often exacerbated as women seek to gain economic independence, and often increases when women attend school or training programs, and batterers often prevent women from attending such programs, and often sabotage their efforts at self-improvement;

Whereas numerous studies have shown that at least 60 percent of battered women suffer from some or all of the following symptoms: terrifying flashbacks, sleep disorders, inability to concentrate, as well as other symptoms, all of which can impair a victim's ability to obtain and retain employment;

Whereas several recent studies indicate that over 50 percent of women in welfare-to-work programs have been or currently are victims of domestic violence, and a study by the State of Washington indicates that over 50 percent of recipients of Aid to Families with Dependent Children (AFDC) in that State have been so victimized;

Whereas the availability of economic support is a critical factor in a woman's ability to leave abusive situations that threaten themselves and their children, and over ½ of battered women surveyed reported that they stayed with their batterers because they lacked resources to support themselves and their children;

Whereas proposals to restructure the AFDC program may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families; and

Whereas proposals to restructure the AFDC program by imposing time limits and increasing emphasis on work and job training should be evaluated in light of data demonstrating the extent to which domestic violence affects women's participation in such programs, and in light of the Congress' commitment to seriously address the issue of violence against women as evidenced by the enactment of the Violence Against Women Act: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) when the Congress considers proposed welfare legislation, it should seriously evaluate whether such welfare measure would exacerbate violence against women, make it more difficult for women and children to escape domestic violence, or would unfairly penalize women and children victimized by or at risk of violence;

(2) any welfare legislation enacted by the Congress should require that any welfare-to-work, education, or job placement program implemented by the States should take domestic violence into account, by providing, among other things, mechanisms for—

(A) screening and identifying recipients with a history of domestic violence;

(B) referring such recipients to counseling and supportive services;

(C) tolling time limits for recipients victimized by domestic violence; and

(D) waiving, pursuant to a determination of good cause, other program requirements such as residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for the recipients to escape domestic violence or unfairly penalize recipients victimized by or at risk of further violence;

(3) any welfare legislation enacted by the Congress should include a provision requiring that the Comptroller General should develop and implement a comprehensive study of the incidence and effect of domestic violence on AFDC recipients, including a study of the extent to which domestic violence both precipitates and prolongs women's and children's poverty and the need for AFDC; and

(4) any welfare reform legislation adopted by the States that contains a welfare-to-work, education, or job placement program should take domestic violence into account, by providing, among other things, mechanisms for—

(A) screening and identifying recipients with a history of domestic violence;

(B) referring such recipients to counseling and supportive services;

(C) tolling time limits for recipients victimized by domestic violence; and

(D) waiving other program requirements, pursuant to a determination of good cause, such as residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for the recipients and their children to escape domestic violence or unfairly penalize recipients victimized by or at risk of further violence.

SENATE RESOLUTION 273—CONDEMNING TERROR ATTACKS IN SAUDI ARABIA

Mr. HELMS (for himself, Mr. PELL, Mr. LOTT, Mr. DASCHLE, Mr. BROWN, Mrs. FEINSTEIN, Mr. REID, Ms. MOSELEY-BRAUN, Mr. BRYAN, Mr. COATS, Mr. BAUCUS, Mr. MOYNIHAN, Mr. DOMENICI, Mr. GRAMM, and Mr. COVERDELL) submitted the following resolution; which was considered and agreed to:

S. RES. 273

Whereas on June 25, 1996, a massive truck bomb exploded at the King Abdul Aziz Air Base near Dhahran, in the Kingdom of Saudi Arabia.

Whereas this horrific attack killed at least nineteen Americans and injured at least three hundred more:

Whereas the bombing also resulted in 147 Saudi casualties;

Whereas the apparent target of the attack was an apartment building housing United States service personnel;

Whereas on November 13, 1995, a terror attack in Saudi Arabia, also directed against U.S. service personnel, killed five Americans, and two others;

Whereas individuals with ties to Islamic extremist organizations were tried, found guilty and executed for having participated in the November 13 attack;

Whereas United States Armed Forces personnel are deployed in Saudi Arabia to protect the peace and freedom secured in Operations Desert Shield and Desert Storm;

Whereas the relationship between the United States and the Kingdom of Saudi Arabia has been built with bipartisan support and has served the interest of both countries over the last five decades and;

Whereas this terrorist outrage underscores the need for a strong and ready military able to defend American interests.

Resolved, That the Senate—

(1) condemns in the strongest terms the attacks of June 25, 1996, and November 13, 1995 in Saudi Arabia;

(2) extends condolences and sympathy to the families of all those United States service personnel killed and wounded, and to the Government and people of the Kingdom of Saudi Arabia;

(3) honors the United States military personnel killed and wounded for their sacrifice in service to the nation;

(4) expresses its gratitude to the Government and the people of the Kingdom of Saudi Arabia for their heroic rescue efforts at the scene of the attack and their determination to find and punish those responsible for this outrage;

(5) reaffirms its steadfast support for the Government of the Kingdom of Saudi Arabia and for continuing good relations between the United States and Saudi Arabia;

(6) determines that such terror attacks present a clear threat to United States interests in the Persian Gulf;

(7) calls upon the United States Government to continue to assist the Government of Saudi Arabia in its efforts to identify those responsible for this contemptible attack;

(8) urges the United States Government to use all reasonable means available to the Government of the United States to punish the parties responsible for this cowardly bombing; and

(9) reaffirms its commitment to provide all necessary support for the men and women of our Armed Forces who volunteer to stand in harm's way.

SENATE RESOLUTION 274—RELATIVE TO NETDAY96

Mrs. FEINSTEIN (for herself and Mrs. BOXER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 274

Whereas the children of the United States deserve the finest preparation possible to face the demands of this Nation's changing information-based economy;

Whereas on March 9, 1996, California's NetDay96 succeeded in bringing together

more than 50,000 volunteers to install the wiring infrastructure necessary to connect classrooms, from kindergarten to the high school level (K–12), to the Information Superhighway and bring them the educational benefits of contemporary technology;

Whereas California's NetDay96 succeeded in wiring 3,500 K–12 schools efficiently and cost-effectively, while establishing and improving classroom information infrastructure;

Whereas NetDay96 organizers created a World Wide Web site (http://www.netday96.com/) with an on-line database of all schools, where individuals with a shared interest in upgrading technology in their schools can locate each other and form communities with a lasting interest in their schools;

Whereas NetDay96 stresses educational opportunity for everyone by reaching out to rural and lower income communities to equalize access to current technology;

Whereas the relationships formed on NetDay96 between schools and their communities will last well beyond March 9, 1996, and other states are already planning to organize future NetDay activities, for this October and beyond, that build and expand upon the initial achievements of the NetDay96 activities;

Whereas NetDay96 has substantially increased the visibility of educational technology issues;

Whereas NetDay96 enables schools to move into the information age through community and cyberspace-based action;

Whereas students and schools benefit from significant NetDay96 corporate sponsorship, including MCI, America Online, Netscape, Netcom, Earthlink, who all agreed to provide free Internet access to every K–12 school in California, AT&T, Pacific Bell, Sun Microsystems, and hundreds of other companies, who contributed by sponsoring individual schools, providing wiring kits, and helping to design and test the networks;

Whereas NetDay96 will help facilitate the placement of educational technology, such as computer hardware, software, Internet and technical services, and teaching aids and training material, in the hands of schools through NetDay96 activities nationwide;

Whereas NetDay96 and future NetDay activities across America will save schools and taxpayers millions of dollars in technology startup costs;

Whereas President Clinton and Vice President Gore participated in California's NetDay96 activities and support the expansion of NetDay96 activities throughout the Nation in an effort to increase the level of technology in this Nation's classrooms and to enhance the ability of children to learn; and

Whereas the Administration plans to work with NetDay96 organizers and corporate sponsors including Sun Microsystems, Cisco Systems, and BellSouth, to organize a national conference to allow States that are planning or considering NetDay96 activities to learn from each others' experience: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the organizers, coordinators, and volunteers of NetDay96 throughout the Nation should be commended for their actions;

(2) NetDay96's success in California should be used as a positive model in other States throughout the Nation, this year and in future years;

(3) NetDay96 should be expanded nationwide to assist students, parents, and schools across the country, so that they may obtain the full benefits of computer equipment and networks, strengthen their educations, and begin careers with more skills and opportunities in order to help them compete more successfully in the global economy;

(4) businesses, students, parents, educators, and unions throughout the country should consider organizing NetDay96 activities in their communities to provide similar opportunities for their schools; and

(5) the Senate affirms its support of NetDay96's commitment to have United States classrooms fitted with the needed technological infrastructure for the 21st century.

Mrs. FEINSTEIN. Mr. President, I rise today to address technology and children, two of our Nation's highest investment priorities.

March 9 was a very exciting day this year in California. On March 9, more than 50,000 Californians volunteered in their neighborhood schools, installing communications cables, connecting wires and switches, and upgrading their schools for the 21st century. Throughout the State, volunteers installed the wiring infrastructure to connect thousands of elementary and secondary school classrooms to the information superhighway and provided schools with the educational benefits of contemporary technology.

March 9, named ''NetDay96'' by its cofounders John Gage of Sun Microsystems, one of the Nation's leading technology companies, and Michael Kaufman of KQED, a California public broadcasting station, was an old fashioned barn-raising for the modern technology age.

Just as volunteers would gather in the Nation's early years, neighbors helping neighbors, to build homes, barns or community buildings, California's NetDay96 volunteers gathered in support of neighborhood schools. NetDay96 succeeded in wiring 3,500 schools efficiently and cost-effectively, establishing and improving our classroom information infrastructure.

Despite the State's tremendous resources and opportunities, California ranks 50th in the Nation in funds spent per student on computers. The cost of providing one computer for each student, from kindergarten to high school, would cost approximately $6 billion for 1,159,565 computers. The NetDay96 activities will help build community involvement and ease some of the financial burden.

Today, it is my pleasure to submit a resolution in support of California's NetDay96 activities, commend NetDay organizers and volunteers and those who would work to extend the benefits of NetDay96 nationwide.

The relationships formed between schools and their communities will extend beyond March 9. Californians are already planning to organize future NetDay96 activities, building and expanding upon the earlier achievements. Congress and the President should encourage other communities to build upon the success of California's NetDay96 experience and provide the benefits of technology and education for students and schools across the country.

Several members of my California staff were among the 50,000 NetDay96 volunteers at work in schools across the State. Cathy Widener of my staff described the work at Brittan Acres Elementary School in San Carlos, California as ''inspirational.'' Cathy attended school at Brittan Acres and her father teaches there.

Cathy noted parents and teachers were on the classroom floor, pulling cable and installing wires, as employees of California's leading high tech companies provided instructions and directed traffic.

Dalila De Lancey, principal of Freeport Elementary School, a magnet school in the Sacramento school system, indicates the school connected every classroom and library in the school. Corporate sponsors, including Apple, Hewlett-Packard, Pacific Bell, Sun Microsystems and others donated equipment needed to get the job done.

Carolyn Harper, the Elmhurst Middle School Librarian in Oakland appreciated the support from Honeywell Corp., whose volunteers brought ladders, tools, and loads of enthusiasm. NetDay96 was part of the Oakland Unified School District's effort to complete the construction of a districtwide computer network and develop a technology exchange program to recondition and install computers.

Technology companies were an important part of Netday96 and helped to forge a partnership between California's businesses and schools to improve education for all students. Even if students don't have computers at home, at least students can have access at schools to explore, develop skills, learn, and grow.

We all agree our children deserve the finest preparation possible to face the demands of the changing information-based economy. NetDay96 helped meet these challenges, stressing educational opportunity for everyone by reaching out to rural and lower-income communities where current technology may be inadequate or incomplete.

It may surprise others to learn that the most valuable asset of Netday96 was, in addition to the computers, wires and equipment, the commitment of thousands of volunteers who worked in their community schools. California's NetDay96 experience can be adopted in other States and communities that may not have the same number of technology companies as California's Silicon Valley.

NetDay96 sponsors found that virtually all companies today have the technology, expertise, and skills to help schools if they choose to do so. For NetDay96, technology companies were as near as the local phone or cable company. All businesses equipped to be competitive today have the necessary tools to assist schools if they have the desire and opportunity to do so. NetDay96 provided them with the opportunity. Companies can step forward.

Students, parents, and schools benefited from significant NetDay96 corporate sponsorship, including companies like MCI, AT&T, NetCom, and

Earthlink, who agreed to provide free Internet access to every elementary and secondary school in California. Other companies such as American Online, Pacific Bell, Cisco Systems, Sun Microsystems and hundreds of other companies contributed by sponsoring individual schools, providing wiring kits, and helping to design and test the networks.

With our current budget deficit, we have been doing everything we can to encourage local, volunteer solutions to difficult problems. NetDay96 and future NetDays across America can save schools and taxpayers millions of dollars in technology start-up costs by providing equipment, computer time and training for teachers through the school's corporate partners. Business sponsors and corporate volunteers were key ingredients in making NetDay96 a successful reality.

This administration deserves great credit for advancing education and technology. President Clinton and Vice President GORE joined the thousands of California's NetDay volunteers. They support the expansion of NetDay96 activities nationwide to increase the level of technology in our classrooms and enhance our children's ability to learn.

It is my pleasure to submit this resolution commending the NetDay96 cofounders, Michael Kaufman and John Gage, the dozens of corporate sponsors and business partners, and the thousands of volunteers working in community schools throughout California. The success and commitment they have shown can serve as a positive model for other States throughout the Nation, this year and in future years.

My California colleague, Senator BARBARA BOXER, joins in co-sponsoring this resolution. Together, we urge our Senate colleagues to affirm congressional support for preparing U.S. classrooms with the needed technological infrastructure for the 21st century.

In today's global economy, America's students will face challenges on an international scale. Students must graduate with the skills needed to face today's international challenges. Computers and technology can enhance education experience of children and provide a valuable complement to traditional teaching tools. Technology is not the complete solution to our complex education needs, but it is an important area that needs both our attention and our support.

I am pleased to submit this resolution to stress the value of volunteer efforts to bring technology to the classroom. With our investments in technology and students, the next generation will graduate with more of the skills they need to compete and win in the global economy.

NetDay96 was a successful effort in California and I encourage an effort to expand the effort nationwide to permit students across the country to enjoy the benefit of technology and education. I urge my Senate colleagues to support this effort.

AMENDMENTS SUBMITTED

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

ROBB (AND McCAIN) AMENDMENT NO. 4363

(Ordered to lie on the table.)

Mr. ROBB (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed by him 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 subtitle A of title X, add the following:

SEC. 1014. SENSE OF SENATE REGARDING AUTHORIZATION OF APPROPRIATIONS FOR MILITARY EQUIPMENT NOT IDENTIFIED IN THE ANNUAL BUDGET REQUEST OF THE DEPARTMENT OF DEFENSE AND FOR CERTAIN MILITARY CONSTRUCTION.

It is the sense of the Senate that—

(1) to the maximum extent practicable, the Senate should consider the authorization of appropriation of funds for the procurement of military equipment only if the procurement is included—

(A) in the annual budget request of the Department of Defense;

(B) in the current future years defense program of the Department; or

(C) in a supplemental request list provided to the Committee on Armed Services of the Senate, upon request of the Committee, by the Office of the Secretary of Defense, by the military departments, by the National Guard Bureau, or by the officials responsible for the administration of the Reserves;

(2) any procurement of military equipment authorized in a defense authorization bill reported to the Senate by the Committee which procurement is not included in the annual budget request of the Department, included in the current future years defense program, or included in a supplemental request list should be listed in a separate section of the report accompanying the bill with a detailed justification of the national security interest addressed by the procurement; and

(3) any military construction project authorized in a defense authorization bill reported to the Senate by the Committee which project does not meet the criteria set forth in section 2856(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3073) should be listed in a separate section of the report accompanying the bill with a detailed justification of the national security interest addressed by the project.

GREGG AMENDMENT NO. 4364

Mr. GREGG proposed an amendment to the bill, S. 1745, supra; as follows:

In the appropriate place in S. 1745, insert the following new section:

SEC. ___. CONGRESSIONAL, PRESIDENTIAL, AND JUDICIAL PENSION FORFEITURE.

(a) SHORT TITLE.—This section may be cited as the ''Congressional, Presidential, and Judicial Pension Forfeiture Act''.

(b) CONVICTION OF CERTAIN OFFENSES.—

(1) IN GENERAL.—Section 8312(a) of title 5, United States Code, is amended—

(A) by striking ''or'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting ''; or'';

(C) by adding after paragraph (2) the following new paragraph:

''(3) is convicted of an offense named by subsection (d), to the extent provided by that subsection.'';

(D) by striking ''and'' at the end of subparagraph (A);

(E) by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(F) by adding after subparagraph (B) the following new subparagraph:

''(C) with respect to the offenses named by subsection (d) of this section, to the period after the date of the conviction.''.

(2) IDENTIFICATION OF OFFENSES.—Section 8312 of title 5, United States Code, is amended—

(A) by redesignating subsection (d) as subsection (e); and

(B) by inserting after subsection (c) the following new subsection:

''(d)(1) The offenses under paragraph (2) are the offenses to which subsection (a) of this section applies, but only if—

''(A) the individual is convicted of such offense committed after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act;

''(B) the individual was a Member of Congress (including the Vice President), a congressional employee, or a Federal justice or judge at the time of committing the offense; and

''(C) the offense is punishable by imprisonment for more than 1 year.

''(2) The offenses under this paragraph are as follows:

''(A) An offense within the purview of—

''(i) section 201 of title 18 (bribery of public officials and witnesses);

''(ii) section 203 of title 18 (compensation to Members of Congress, officers, and others in matters affecting the Government);

''(iii) section 204 of title 18 (practice in United States Court of Federal Claims or the United States Court of Appeals for the Federal Circuit by Members of Congress);

''(iv) section 219 of title 18 (officers and employees acting as agents of foreign principals);

''(v) section 286 of title 18 (conspiracy to defraud the Government with respect to claims);

''(vi) section 287 of title 18 (false, fictitious, or fraudulent claims);

''(vii) section 371 of title 18 (conspiracy to commit offense or to defraud the United States;

''(viii) section 597 of title 18 (expenditures to influence voting);

''(ix) section 599 of title 18 (promise of appointment by candidate);

''(x) section 602 of title 18 (solicitation of political contributions);

''(xi) section 606 of title 18 (intimidation to secure political contributions);

''(xii) section 607 of title 18 (place of solicitation);

''(xiii) section 641 of title 18 (public money, property or records); or

''(xiv) section 1001 of title 18 (statements or entries generally).

''(B) Perjury committed under the statutes of the United States in falsely denying the commission of an act which constitutes an offense within the purview of a statute named by subparagraph (A).

''(C) Subornation of perjury committed in connection with the false denial of another individual as specified by subparagraph (B).''.

(c) ABSENCE FROM THE UNITED STATES TO AVOID PROSECUTION.—

(1) IN GENERAL.—Section 8313 of title 5, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

''(b) An individual, or his survivor or beneficiary, may not be paid annuity or retired pay on the basis of the service of the individual which is creditable toward the annuity or retired pay, subject to the exceptions in section 8311(2) and (3) of this title, if the individual—

''(1) is under indictment, after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act, for an offense named by section 8312(d)(2) of this title, but only if such offense satisfies section 8312(d)(1)(C) of this title;

''(2) willfully remains outside the United States, or its territories and possessions including the Commonwealth of Puerto Rico, for more than 1 year with knowledge of the indictment or charges, as the case may be; and

''(3) is an individual described in section 8312(d)(1)(B).''.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 8313 of title 5, United States Code (as redesignated under paragraph (1)(A)) is amended by inserting ''or (b)'' after ''subsection (a)''.

(d) REFUND OF CONTRIBUTIONS AND DEPOSITS.—

Section 8316(b) of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; or''; and

(3) by adding at the end the following new paragraph:

''(3) if the individual was convicted of an offense named by section 8312(d) of this title, for the period after the conviction of the violation.''.

(e) FORFEITURE OF PRESIDENTIAL ALLOWANCE.—Subsection (a) of the first section of the Act entitled ''An Act to provide retirement, clerical assistance, and free mailing privileges to former Presidents of the United States, and for other purposes'', approved August 25, 1958 (Public Law 85–745; 72 Stat. 838; 3 U.S.C. 102 note) is amended—

(1) by striking ''Each former President'' and inserting ''(1) Subject to paragraph (2), each former President''; and

(2) by inserting at the end the following new paragraph:

''(2) The allowance payable to an individual under paragraph (1) shall be forfeited if—

''(A) the individual is convicted of an offense described under section 8312(d)(2) of title 5, United States Code, committed after the date of the enactment of the Congressional, Presidential, and Judicial Pension Forfeiture Act;

''(B) such individual committed such offense during the individual's term of office as President; and

''(C) the offense is punishable by imprisonment for more than 1 year.''.

PRYOR (AND OTHERS) AMENDMENT NO. 4365

Mr. PRYOR (for himself, Mr. CHAFEE, Mr. BROWN, Mr. BRYAN, Mr. DORGAN, Mr. LEAHY, and Mr. BYRD) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle F of title X add the following:

SEC. 1072. EQUITABLE TREATMENT FOR THE GENERIC DRUG INDUSTRY.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that the generic drug industry should be provided equitable relief in the same manner as other industries are provided with such relief under the patent transitional provisions of section 154(c) of title 35, United States Code, as amended by section 532 of the Uruguay Round Agreements Act of 1994 (Public Law 103–465; 108 Stat. 4983).

(b) APPROVAL OF APPLICATIONS OF GENERIC DRUGS.—For purposes of acceptance and consideration by the Secretary of Health and Human Services of an application under subsections (b), (c), and (j) of section 505, and subsections (b), (c), and (n) of section 512, of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b), (c), and (j), and 360b (b), (c), and (n)), the expiration date of a patent that is the subject of a certification under section 505(b)(2)(A) (ii), (iii), or (iv), section 505(j)(2)(A)(vii) (II), (III), or (IV), or section 512(n)(1)(H) (ii), (iii), or (iv) of such Act, respectively, made in an application submitted prior to June 8, 1995, or in an application submitted on or after that date in which the applicant certifies that substantial investment was made prior to June 8, 1995, shall be deemed to be the date on which such patent would have expired under the law in effect on the day preceding December 8, 1994.

(c) MARKETING GENERIC DRUGS.—The remedies of section 271(e)(4) of title 35, United States Code, shall not apply to acts—

(1) that were commenced, or for which a substantial investment was made, prior to June 8, 1995; and

(2) that became infringing by reason of section 154(c)(1) of such title, as amended by section 532 of the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983).

(d) EQUITABLE REMUNERATION.—For acts described in subsection (c), equitable remuneration of the type described in section 154(c)(3) of title 35, United States Code, as amended by section 532 of the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983) shall be awarded to a patentee only if there has been—

(1) the commercial manufacture, use, offer to sell, or sale, within the United States of an approved drug that is the subject of an application described in subsection (b); or

(2) the importation by the applicant into the United States of an approved drug or of active ingredient used in an approved drug that is the subject of an application described in subsection (b).

(e) APPLICABILITY.—The provisions of this section shall govern—

(1) the approval or the effective date of approval of applications under section 505(b)(2), 505(j), 507, or 512(n), of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b)(2) and (j), 357, and 360b(n)) submitted on or after the date of enactment of this Act; and

(2) the approval or effective date of approval of all pending applications that have not received final approval as of the date of enactment of this Act.

HATCH AMENDMENT NO. 4366

Mr. HATCH proposed an amendment to amendment No. 4365 proposed by Mr. PRYOR to the bill, S. 1745, supra; as follows:

Strike all after the word ''**SEC.**'' and insert the following:

PHARMACEUTICAL INDUSTRY SPECIAL EQUITY.

(a) SHORT TITLE.—This section may be cited as the ''Pharmaceutical Industry Special Equity Act of 1996''.

(b) APPROVAL OF GENERIC DRUGS.—

(1) IN GENERAL.—With respect to any patent, the term of which is modified under section 154(c)(1) of title 35, United States Code, as amended by the Uruguay Round Agreements Act (Public Law 103–465; 108 Stat. 4983), the remedies of section 271(e)(4) of title 35, United States Code, shall not apply if—

(A) such patent is the subject of a certification described under—

(i) section 505 (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV)); or

(ii) section 512(n)(1)(H)(iv) of such Act (21 U.S.C. 360b(n)(1)(H)(iv));

(B) on or after the date of enactment of this section, such a certification is made in an application that was filed under section 505 or 512 of the Federal Food, Drug, and Cosmetic Act and accepted for filing by the Food and Drug Administration prior to June 8, 1995; and

(C) a final order, from which no appeal is pending or may be made, has been entered in an action brought under chapter 28 or 29 of title 35, United States Code—

(i) finding that the person who submitted such certification made a substantial investment of the type described under section 154(c)(2) of title 35, United States Code, as amended by the Uruguay Round Agreements Act; and

(ii) establishing the amount of equitable remuneration of the type described under section 154(c)(3) of title 35, United States Code, as amended by the Uruguay Round Agreements Act, that is required to be paid by the person who submitted such certification to the patentee for the product that is the subject of the certification.

(2) DETERMINATION OF SUBSTANTIAL INVESTMENT.—In determining whether a substantial investment has been made in accordance with this section, the court shall find that—

(A) a complete application submitted under section 505 or 512 of the Federal Food, Drug, and Cosmetic Act was found by the Secretary of Health and Human Services on or before June 8, 1995 to be sufficiently complete to permit substantive review; and

(B) the total sum of the investment made by the person submitting such an application—

(i) is specifically related to the research, development, manufacture, sale, marketing, or other activities undertaken in connection with, the product covered by such an application; and

(ii) does not solely consist of that person's expenditures related to the development and submission of the information contained in such an application.

(3) EFFECTIVE DATE OF APPROVAL OF APPLICATION.—In no event shall the Food and Drug Administration make the approval of an application under sections 505 or 512 of the Federal Food, Drug, and Cosmetic Act, which is subject to the provisions of this section, effective prior to the entry of the order described in paragraph (1)(C).

(4) APPLICABILITY.—The provisions of this subsection shall not apply to any patent the term of which, inclusive of any restoration period provided under section 156 of title 35, United States Code, would have expired on or after June 8, 1998, under the law in effect on the date before December 8, 1994.

(c) APPLICATION OF CERTAIN BENEFITS AND TERM EXTENSIONS TO ALL PATENTS IN FORCE ON A CERTAIN DATE.—For the purposes of this section and the provisions of title 35, United States Code, all patents in force on June 8, 1995, including those in force by reason of section 156 of title 35, United States Code, are entitled to the full benefit of the Uruguay Round Agreements Act of 1994 and any extension granted before such date under section 156 of title 35, United States Code.

(d) EXTENSION OF PATENTS RELATING TO NONSTEROIDAL ANTI-INFLAMMATORY DRUGS.—

(1) IN GENERAL.—Notwithstanding section 154 of title 35, United States Code, the term of patent shall be extended for any patent

which encompasses within its scope of composition of matter known as a nonsteroidal anti-inflammatory drug if—

(A) during the regulatory review of the drug by the Food and Drug Administration the patentee—

(i) filed a new drug application in 1982 under section 505 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 355); and

(ii) awaited approval by the Food and Drug Administration for at least 96 months; and

(B) such new drug application was approved in 1991.

(2) TERM.—The term of any patent described in paragraph (1) shall be extended from its current expiration date for a period of 2 years.

(3) NOTIFICATION.—No later than 90 days after the date of enactment of this section, the patentee of any patent described in paragraph (1) shall notify the Commissioner of Patents and Trademarks of the number of any patent extended under such paragraph. On receipt of such notice, the Commissioner shall confirm such extension by placing a notice thereof in the official file of such patent and publishing an appropriate notice of such extension in the Official Gazette of the Patent and Trademark Office.

(e) EXPEDITED PROCEDURES FOR CIVIL ACTIONS.—

(1) APPLICATION.—(A) This subsection applies to any civil action in a court of the United States brought to determine the rights of the parties under this section, including any determination made under subsection (b).

(B) For purposes of this subsection the term ''civil action'' refers to a civil action described under subparagraph (A).

(2) SUPERSEDING PROVISIONS.—Procedures adopted under this subsection shall supersede any provision of title 28, United States Code, the Federal Rules of Civil Procedure, or the Federal Rules of Appellate Procedure to the extent of any inconsistency.

(3) PROCEDURES IN DISTRICT COURT.—No later than 60 days after the date of the enactment of this Act, each district court of the United States shall adopt procedures to—

(A) provide for priority in consideration of civil actions on an expedited basis, including consideration of determinations relating to substantial investment, equitable remuneration, and equitable compensation;

(B) provide that—

(i) no later than 10 days after a party files an answer to a complaint filed in a civil action the court shall order that all discovery (including a hearing on any discovery motions) shall be completed no later than 60 days after the date on which the court enters the order; and

(ii) the court may grant a single extension of the 60-day period referred to under clause (i) for an additional period of no more than 30 days upon a showing of good cause;

(C) require any dispositive motion in a civil action to be filed no later than 30 days after completion of discovery;

(D) require that—

(i) if a dispositive motion is filed in a civil action, the court shall rule on such a motion no later than 30 days after the date on which the motion is filed;

(ii) the court shall begin the trial of a civil action no later than 60 days after the later of—

(I) the date on which discovery is completed in accordance with subparagraph (B); or

(II) the last day of the 30-day period referred to under clause (i), if a dispositive motion is filed;

(E) require that if a person does not hold the patent which is the subject of a civil action and is the prevailing party in the civil action, the court shall order the nonprevailing party to pay damages to the prevailing party;

(F) the damages payable to such persons shall include—

(i) the costs resulting from the delay caused by the civil action; and

(ii) lost profits from such delay; and

(G) provide that the prevailing party in a civil action shall be entitled to recover reasonable attorney's fees and court costs.

(4) PROCEDURES IN FEDERAL CIRCUIT COURT.—No later than 60 days after the date of the enactment of this Act, the United States Court of Appeals for the Federal Circuit shall adopt procedures to provide for expedited considerations of civil actions brought under this Act.

NUNN (AND OTHERS) AMENDMENT NO. 4367

Mr. NUNN (for himself, Mrs. HUTCHISON, Mr. BRADLEY, Mrs. KASSEBAUM, and Mr. COHEN) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle D of title X, add the following:

SEC. 1044. REPORT ON NATO ENLARGEMENT.

(a) FINDINGS.—Congress makes the following findings:

(1) Since World War II the United States has spent trillions of dollars to enable our European allies to recover from the devastation of the war and, since 1949, to enhance the stability and security of the Euro-Atlantic area through the North Atlantic Treaty Organization (NATO).

(2) NATO has been the most successful collective security organization in history.

(3) The Preamble to the Washington Treaty (North Atlantic Treaty) provides that:

''The Parties to this Treaty reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all governments. They are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law. They seek to promote stability and well-being in the North Atlantic Area. They are resolved to unite their efforts for collective defense and for the preservation of peace and security.''.

(4) Article 5 of the North Atlantic Treaty provides for NATO member nations to treat an attack on one as an attack on all.

(5) NATO has enlarged its membership three times since its establishment in 1949.

(6) At its ministerial meeting on December 1, 1994, NATO decided to enlarge the Alliance as part of an evolutionary process, taking into account political and security developments in the whole of Europe. It was also decided at that time that enlargement would be decided on a case-by-case basis and that new members would be full members of the Alliance, enjoying the rights and assuming all obligations of membership.

(7) The September 1995 NATO study on enlarging the Alliance concluded that the ''coverage provided by Article 5, including its nuclear component, will apply to new members'', but that there ''is no a priori requirement for the stationing of nuclear weapons on the territory of new members.''.

(8) At its ministerial meeting on June 3, 1996, NATO made decisions in three key areas as follows:

(A) To create more deployable headquarters and more mobile forces to mount traditional missions of collective defense as well as to mount non-Article 5 operations.

(B) To preserve the transatlantic link.

(C) To develop a European Security and Defense Identity within the Alliance, including utilization of the approved Combined Joint Task Forces (CJTF) concept, to facilitate the use of separable but not separate military capabilities in operations led by the WEU.

(9) Enlargement of the Alliance has profound implications for all of its member nations, for the nations chosen for admission to the Alliance in the first tranche, for the nations not included in the first tranche, and for the relationship between the members of the Alliance and Russia.

(10) The Congressional Budget Office has studied five illustrative options to defend the so-called Visegrad nations (Poland, the Czech Republic, Slovakia, and Hungary) to determine the cost of such defense.

(11) The results of the Congressional Budget Office study, issued in March 1996, included conclusions that the cost of defending the Visegrad nations over the 15-year period from 1996 through 2010 would range from $61,000,000,000 to $125,000,000,000; and that of those totals the cost to the new members would range from $42,000,000,000 to $51,000,000,000, and the cost to NATO would range from $19,000,000,000 to $73,000,000,000, of which the United States would expect to pay between $5,000,000,000 and $19,000,000,000.

(12) The Congressional Budget Office study did not determine the cost of enlarging the Alliance to include Slovenia, Romania, Ukraine, the Baltic nations, or other nations that are participating in NATO's Partnership for Peace program.

(13) Enlarging the Alliance could be considered as changing the circumstances that constitute the basis for the Treaty on Conventional Forces in Europe.

(14) The discussion of NATO enlargement within the United States, in general, and the United States Congress, in particular, has not been as comprehensive, detailed, and informed as it should be, given the implications for the United States of enlargement decisions.

(b) REPORT.—Not later than the date on which the President submits the budget for fiscal year 1998 to Congress under section 1105 of title 31, United States Code, the President shall transmit a report on NATO enlargement to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives. The report shall contain a comprehensive discussion of the following:

(1) The costs, for prospective new NATO members, NATO, and the United States, that are associated with the illustrative options used by the Congressional Budget Office in the March 1996 study referred to in subsection (a)(10) as well as any other illustrative options that the President considers appropriate and relevant.

(2) The strategy by which attacks on prospective new NATO member nations would be deterred and, if deterrence fails, defended, including—

(A) whether the strategy would be based on conventional forces or on nuclear capabilities;

(B) if based on conventional forces, the extent to which the strategy would be based on host nation forces and the extent to which it would be based on NATO reinforcement;

(C) to the extent that the strategy is based on NATO reinforcement, whether substantial prepositioning of equipment and supplies and establishment of reception facilities would be necessary;

(D) whether the forward deployment of substantial NATO air forces or ground forces, or both, would be necessary;

(E) if the forward deployment of substantial NATO air forces or ground forces would be necessary, the approximate percentage of

the number of the forward-deployed forces that would be United States forces and whether any NATO member would be unable to deploy forces forward; and

(F) if the strategy is based on nuclear capabilities, whether any changes in NATO's nuclear posture would be necessary.

(3) Whether NATO enlargement can proceed prior to the implementation of the NATO decisions referred to in subsection (a)(8), including the establishment of more deployable headquarters and more mobile forces, and the development of a European security and defense identity.

(4) Whether an enlarged NATO will be able to function on a consensus basis that makes it necessary for all NATO members to agree on major decisions.

(5) The extent to which prospective new NATO members have achieved, or are expected to achieve, interoperability of their military equipment, air defense systems, and command, control, and communications systems and conformity of military doctrine with those of NATO.

(6) The extent to which prospective new NATO members have established democratic institutions, free market economies, civilian control of their armed forces, including parliamentary oversight of military affairs and appointment of civilians to senior defense positions, and the rule of law.

(7) The extent to which prospective new NATO members are committed to protecting the rights of all of their citizens, including national minorities.

(8) The extent to which prospective new NATO members are committed to respecting the territorial integrity of their neighbors, together with the mechanisms that are established, or are planned to be established, for resolving border disputes peacefully.

(9) The extent to which prospective new NATO members are in a position to further the principles of the North Atlantic Treaty and to contribute to the security of the North Atlantic area.

(10) The bilateral assistance, including cost, provided by the United States to prospective new NATO members since the institution of the Partnership for Peace program.

(11) The impact on the political, economic, and security well-being of prospective new NATO members (with a particular emphasis on Ukraine, Latvia, Lithuania, and Estonia) if they are not selected for inclusion in the first tranche of NATO enlargement.

(12) The relationship of prospective new NATO members to the European Union, with special emphasis on—

(A) the effects that the gaining of membership in NATO by a nation would have on the possibility and timing of that nation gaining associate membership and, subsequently, full membership in the European Union; and

(B) the extent to which the European Union has opened its markets to prospective new NATO members.

(13) The impact of NATO enlargement on the CFE Treaty.

(14) The relationship of Russia with NATO, including Russia's participation in the Partnership for Peace program and NATO's strategic dialogue with Russia.

(15) The anticipated impact of NATO enlargement on Russian foreign and defense policies, including in particular the implementation of START I, the ratification of START II, and the emphasis placed in defense planning on nuclear weapons.

(c) CLASSIFICATION OF REPORT.—The report shall be submitted in unclassified form, but may contain a classified annex.

(d) TREATIES DEFINED.—In this section:

(1) The terms ''CFE Treaty'' and ''Treaty on Conventional Armed Forces in Europe'' mean the treaty signed in Paris on November 19, 1990, by 22 members of the North Atlantic Treaty Organization and the former Warsaw Pact to establish limitations on conventional armed forces in Europe, and all annexes and memoranda pertaining thereto.

(2) The term ''START I Treaty'' means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, signed at Moscow on July 31, 1991.

(3) The term ''START II Treaty'' means the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms, signed at Moscow on January 3, 1993, including the following protocols and memorandum of understanding, all such documents being integral parts of and collectively referred to as the ''START II Treaty'' (contained in Treaty Document 103–1):

(A) The Protocol on Procedures Governing Elimination of Heavy ICBMs and on Procedures Governing Conversion of Silo Launchers of Heavy ICBMs Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the ''Elimination and Conversion Protocol'').

(B) The Protocol on Exhibitions and Inspections of Heavy Bombers Relating to the Treaty Between the United States and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the ''Exhibitions and Inspections Protocol'').

(C) The Memorandum of Understanding on Warhead Attribution and Heavy Bomber Data Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the ''Memorandum on Attribution'').

SHELBY (AND OTHERS) AMENDMENT NO. 4368

(Ordered to lie on the table.)

Mr. SHELBY (for himself, Mr. FAIRCLOTH, Mr. BRYAN, and Mr. GRAMM) submitted an amendment intended to be proposed by them to the bill, S. 1745, supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. . EXEMPTION FOR SAVINGS INSTITUTIONS SERVING MILITARY PERSONNEL.

Section 10(m)(3)(F) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(3)(F)) is amended to read as follows:

''(F) EXEMPTION FOR SPECIALIZED SAVINGS ASSOCIATIONS SERVING CERTAIN MILITARY PERSONNEL.—Subparagraph (A) does not apply to a savings association subsidiary of a savings and loan holding company if not less than 90 percent of the customers of the savings and loan holding company and the subsidiaries and affiliates of such company are active or former officers in the United States military services or the widows, widowers, divorced spouses, or current or former dependents of such officers.''.

COHEN (AND LIEBERMAN) AMENDMENT NO. 4369

Mr. COHEN (for himself and Mr. LIEBERMAN), proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of title XXXIII, add the following:

SEC. 3303. ADDITIONAL AUTHORITY TO DISPOSE OF MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in amounts equal to—

(1) $110,000,000 during the five-fiscal year period ending September 30, 2001;

(2) $260,000,000 during the seven-fiscal year period ending September 30, 2003; and

(3) $440,000,000 during the nine-fiscal year period ending September 30, 2005.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Chrome Metal, Electrolytic	8,471 short tons
Cobalt	9,902,774 pounds
Columbium Carbide	21,372 pounds
Columbium Ferro	249,395 pounds
Diamond, Bort	91,542 carats
Diamond, Stone	3,029,413 carats
Germanium	28,207 kilograms
Indium	15,205 troy ounces
Palladium	1,249,601 troy ounces
Platinum	442,641 troy ounces
Rubber	567 long tons
Tantalum, Carbide Powder	22,688 pounds contained
Tantalum, Minerals	1,748,947 pounds contained
Tantalum, Oxide	123,691 pounds contained
Titanium Sponge	36,830 short tons
Tungsten	76,358,235 pounds
Tungsten, Carbide	2,032,942 pounds
Tungsten, Metal Powder	1,181,921 pounds
Tungsten, Ferro	2,024,143 pounds

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—(1) Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be deposited into the general fund of the Treasury and used to offset the revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658).

(2) This section shall be treated as qualifying offsetting legislation for purposes of subsection (b) of such section 4303.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(f) DEFINITION.—The term ''National Defense Stockpile'' means the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

GRASSLEY AMENDMENT NO. 4370

Mr. GRASSLEY proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of division A, insert the following new title:

TITLE XIII—WTO REVIEW COMMISSION

SEC. 1301. SHORT TITLE.

This title may be cited as the ''WTO Dispute Settlement Review Commission Act''.

SEC. 1302. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The United States joined the WTO as an original member with the goal of creating an

improved global trading system and providing expanded economic opportunities for United States firms and workers, while preserving United States sovereignty.

(2) The American people must receive assurances that United States sovereignty will be protected, and United States interests will be advanced, within the global trading system which the WTO will oversee.

(3) The WTO's dispute settlement rules are meant to enhance the likelihood that governments will observe their WTO obligations, and thus help ensure that the United States will reap the full benefits of its participation in the WTO.

(4) United States support for the WTO depends on obtaining mutual trade benefits through the openness of foreign markets and the maintenance of effective United States and WTO remedies against unfair or otherwise harmful trade practices.

(5) Congress passed the Uruguay Round Agreements Act based on its understanding that effective trade remedies would not be eroded. These remedies are essential to continue the process of opening foreign markets to imports of goods and services and to prevent harm to American industry and agriculture.

(6) In particular, WTO dispute settlement panels and the Appellate Body should—

(A) operate with fairness and in an impartial manner;

(B) not add to the obligations, or diminish the rights, of WTO members under the Uruguay Round Agreements; and

(C) observe the terms of reference and any applicable WTO standard of review.

(b) PURPOSE.—It is the purpose of this title to provide for the establishment of the WTO Dispute Settlement Review Commission to achieve the objectives described in subsection (a)(6).

SEC. 1303. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the WTO Dispute Settlement Review Commission (hereafter in this title referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 5 members all of whom shall be judges of the Federal judicial circuits and shall be appointed by the President, after consultation with the Majority Leader and Minority Leader of the House of Representatives, the Majority Leader and Minority Leader of the Senate, the chairman and ranking member of the Committee on Ways and Means of the House of Representatives, and the chairman and ranking member of the Committee on Finance of the Senate.

(2) DATE.—The appointments of the initial members of the Commission shall be made no later than 90 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members of the Commission shall each be appointed for a term of 5 years, except of the members first appointed, 3 members shall be appointed for terms of 3 years and the remaining 2 members shall be appointed for terms of 2 years.

(2) VACANCIES.—

(A) IN GENERAL.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment and shall be subject to the same conditions as the original appointment.

(B) UNEXPIRED TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(d) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) AFFIRMATIVE DETERMINATIONS.—An affirmative vote by a majority of the members of the Commission shall be required for any affirmative determination by the Commission under section 1304.

(h) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a Chairperson and Vice Chairperson from among its members.

SEC. 1304. DUTIES OF THE COMMISSION.

(a) REVIEW OF WTO DISPUTE SETTLEMENT REPORTS.—

(1) IN GENERAL.—The Commission shall review—

(A) all adverse reports of dispute settlement panels and the Appellate Body which are—

(i) adopted by the Dispute Settlement Body, and

(ii) the result of a proceeding initiated against the United States by a WTO member; and

(B) upon the request of the Trade Representative, any adverse report of a dispute settlement panel or the Appellate Body—

(i) which is adopted by the Dispute Settlement Body, and

(ii) in which the United States is a complaining party.

(2) SCOPE OF REVIEW.—With respect to any report the Commission reviews under paragraph (1), the Commission shall determine in connection with each adverse finding whether the panel or the Appellate Body, as the case may be—

(A) demonstrably exceeded its authority or its terms of reference;

(B) added to the obligations, or diminished the rights, of the United States under the Uruguay Round Agreement which is the subject of the report;

(C) acted arbitrarily or capriciously, engaged in misconduct, or demonstrably departed from the procedures specified for panels and the Appellate Body in the applicable Uruguay Round Agreement; and

(D) deviated from the applicable standard of review, including in antidumping cases, the standard of review set forth in Article 17.6 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994.

(3) AFFIRMATIVE DETERMINATION.—The Commission shall make an affirmative determination under this paragraph with respect to the action of a panel or the Appellate Body, if the Commission determines that—

(A) any of the matters described in subparagraph (A), (B), (C), or (D) of paragraph (2) has occurred; and

(B) the action of the panel or the Appellate Body materially affected the outcome of the report of the panel or Appellate Body.

(b) DETERMINATION; REPORT.—

(1) DETERMINATION.—No later than 120 days after the date on which a report of a panel or the Appellate Body described in subsection (a)(1) is adopted by the Dispute Settlement Body, the Commission shall make a written determination with respect to the matters described in paragraphs (2) and (3) of subsection (a).

(2) REPORTS.—The Commission shall promptly report the determinations described in paragraph (1) to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the Trade Representative.

SEC. 1305. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold a public hearing to solicit views concerning a report of a dispute settlement panel or the Appellate Body described in section 1304(a)(1), if the Commission considers such hearing to be necessary to carry out the purpose of this title. The Commission shall provide reasonable notice of a hearing held pursuant to this subsection.

(b) INFORMATION FROM INTERESTED PARTIES AND FEDERAL AGENCIES.—

(1) NOTICE OF PANEL OR APPELLATE BODY REPORT.—The Trade Representative shall advise the Commission no later than 5 business days after the date the Dispute Settlement Body adopts a report of a panel or the Appellate Body that is to be reviewed by the Commission under section 1304(a)(1).

(2) SUBMISSIONS AND REQUESTS FOR INFORMATION.—

(A) IN GENERAL.—The Commission shall promptly publish in the Federal Register notice of the advice received from the Trade Representative, along with notice of an opportunity for interested parties to submit written comments to the Commission. The Commission shall make comments submitted pursuant to the preceding sentence available to the public.

(B) INFORMATION FROM FEDERAL AGENCIES AND DEPARTMENTS.—The Commission may also secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon the request of the Chairperson of the Commission, the head of such department or agency shall furnish the information requested to the Commission.

(3) ACCESS TO PANEL AND APPELLATE BODY DOCUMENTS.—

(A) IN GENERAL.—The Trade Representative shall make available to the Commission all submissions and relevant documents relating to a report of a panel or the Appellate Body described in section 1304(a)(1), including any information contained in such submissions identified by the provider of the information as proprietary information or information designated as confidential by a foreign government.

(B) PUBLIC ACCESS.—Any document which the Trade Representative submits to the Commission shall be available to the public, except information which is identified as proprietary or confidential.

(c) ASSISTANCE FROM FEDERAL AGENCIES; CONFIDENTIALITY.—

(1) ADMINISTRATIVE ASSISTANCE.—Any agency or department of the United States that is designated by the President shall provide administrative services, funds, facilities, staff, or other support services to the Commission to assist the Commission with the performance of the Commission's functions.

(2) CONFIDENTIALITY.—The Commission shall protect from disclosure any document or information submitted to it by a department or agency of the United States which the agency or department requests be kept confidential. The Commission shall not be considered to be an agency for purposes of section 552 of title 5, United States Code.

SEC. 1306. REVIEW OF DISPUTE SETTLEMENT PROCEDURES AND PARTICIPATION IN THE WTO.

(a) AFFIRMATIVE REPORT BY COMMISSION.—

(1) IN GENERAL.—If a joint resolution described in subsection (b)(1) is enacted into law pursuant to the provisions of subsection (c), the President should undertake negotiations to amend or modify the rules and procedures of the Uruguay Round Agreement to which such joint resolution relates.

(2) 3 AFFIRMATIVE REPORTS BY COMMISSION.—If a joint resolution described in subsection (b)(2) is enacted into law pursuant to the provisions of subsection (c), the approval of the Congress, provided for under section 101(a) of the Uruguay Round Agreements Act, of the WTO Agreement shall cease to be

effective in accordance with the provisions of the joint resolution.

(b) JOINT RESOLUTIONS DESCRIBED.—

(1) IN GENERAL.—For purposes of subsection (a)(1), a joint resolution is described in this paragraph if it is a joint resolution of the 2 Houses of Congress and the matter after the resolving clause of such joint resolution is as follows: ''That the Congress calls upon the President to undertake negotiations to amend or modify the matter relating to _____ that is the subject of the affirmative report submitted to the Congress by the WTO Dispute Settlement Review Commission on ____'', the first blank space being filled with the specific provisions of the Uruguay Round Agreement with respect to which the President is to undertake negotiations and the second blank space being filled with the date that the affirmative report, which was made under section 1304(b) and which has given rise to the joint resolution, was submitted to the Congress by the Commission pursuant to section 1304(b).

(2) WITHDRAWAL RESOLUTION.—For purposes of subsection (a)(2), a joint resolution is described in this paragraph if it is a joint resolution of the 2 Houses of Congress and the matter after the resolving clause of such joint resolution is as follows: ''That, in light of the 3 affirmative reports submitted to the Congress by the WTO Dispute Settlement Review Commission during the preceding 5-year period, and the failure to remedy the problems identified in the reports through negotiations, it is no longer in the overall national interest of the United States to be a member of the WTO, and accordingly the Congress withdraws its approval, provided under section 101(a) of the Uruguay Round Agreements Act, of the WTO Agreement as defined in section 2(9) of that Act.''.

(c) PROCEDURAL PROVISIONS.—

(1) IN GENERAL.—The requirements of this subsection are met if the joint resolution is enacted in accordance with this subsection, and—

(A) in the case of a joint resolution described in subsection (b)(1), the Congress adopts and transmits the joint resolution to the President before the end of the 90-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which the Congress receives an affirmative report from the Commission pursuant to section 1304(b)(2); or

(B) in the case of a joint resolution described in subsection (b)(2), the Commission has submitted 3 affirmative reports pursuant to section 1304(b)(2) during a 5-year period, and the Congress adopts and transmits the joint resolution to the President before the end of the 90-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which the Congress receives the third such affirmative report.

(2) PRESIDENTIAL VETO.—In any case in which the President vetoes the joint resolution, the requirements of this subsection are met if each House of Congress votes to override that veto on or before the later of the last day of the 90-day period referred to in subparagraph (A) or (B) of paragraph (1), whichever is applicable, or the last day of the 15-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which the Congress receives the veto message from the President.

(3) INTRODUCTION.—

(A) TIME.—A joint resolution to which this section applies may be introduced at any time on or after the date on which the Commission transmits to the Congress an affirmative report pursuant to section 1304(b)(2), and before the end of the 90-day period referred to in subparagraph (A) or (B) of paragraph (1), as the case may be.

(B) ANY MEMBER MAY INTRODUCE.—A joint resolution described in subsection (b) may be introduced in either House of the Congress by any Member of such House.

(4) EXPEDITED PROCEDURES.—

(A) GENERAL RULE.—Subject to the provisions of this subsection, the provisions of subsections (b), (d), (e), and (f) of section 152 of the Trade Act of 1974 (19 U.S.C. 2192 (b), (d), (e), and (f)) apply to joint resolutions described in subsection (b) to the same extent as such provisions apply to resolutions under such section.

(B) REPORT OR DISCHARGE OF COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported it by the close of the 45th day after its introduction (excluding any day described in section 154(b) of the Trade Act of 1974), such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the appropriate calendar.

(C) FINANCE AND WAYS AND MEANS COMMITTEES.—It is not in order for—

(i) the Senate to consider any joint resolution unless it has been reported by the Committee on Finance or the committee has been discharged under subparagraph (B); or

(ii) the House of Representatives to consider any joint resolution unless it has been reported by the Committee on Ways and Means or the committee has been discharged under subparagraph (B).

(D) SPECIAL RULE FOR HOUSE.—A motion in the House of Representatives to proceed to the consideration of a joint resolution may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his or her intention to do so.

(5) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate to consider a joint resolution (other than a joint resolution received from the other House), if that House has previously adopted a joint resolution under this section relating to the same matter.

(d) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

SEC. 1307. DEFINITIONS.

For purposes of this title:

(1) ADVERSE FINDING.—The term ''adverse finding'' means—

(A) in a panel or Appellate Body proceeding initiated against the United States, a finding by the panel or the Appellate Body that any law or regulation of, or application thereof by, the United States is inconsistent with the obligations of the United States under a Uruguay Round Agreement (or nullifies or impairs benefits accruing to a WTO member under such an Agreement); or

(B) in a panel or Appellate Body proceeding in which the United States is a complaining party, any finding by the panel or the Appellate Body that a measure of the party complained against is not inconsistent with that party's obligations under a Uruguay Round Agreement (or does not nullify or impair benefits accruing to the United States under such an Agreement).

(2) AFFIRMATIVE REPORT.—The term ''affirmative report'' means a report described in section 1304(b)(2) which contains affirmative determinations made by the Commission under paragraph (3) of section 1304(a).

(3) APPELLATE BODY.—The term ''Appellate Body'' means the Appellate Body established by the Dispute Settlement Body pursuant to Article 17.1 of the Dispute Settlement Understanding.

(4) DISPUTE SETTLEMENT BODY.—The term ''Dispute Settlement Body'' means the Dispute Settlement Body established pursuant to the Dispute Settlement Understanding.

(5) DISPUTE SETTLEMENT PANEL; PANEL.—The terms ''dispute settlement panel'' and ''panel'' mean a panel established pursuant to Article 6 of the Dispute Settlement Understanding.

(6) DISPUTE SETTLEMENT UNDERSTANDING.—The term ''Dispute Settlement Understanding'' means the Understanding on Rules and Procedures Governing the Settlement of Disputes referred to in section 101(d)(16) of the Uruguay Round Agreements Act.

(7) TERMS OF REFERENCE.—The term ''terms of reference'' has the meaning given such term in the Dispute Settlement Understanding.

(8) TRADE REPRESENTATIVE.—The term ''Trade Representative'' means the United States Trade Representative.

(9) URUGUAY ROUND AGREEMENT.—The term ''Uruguay Round Agreement'' means any of the Agreements described in section 101(d) of the Uruguay Round Agreements Act.

(10) WORLD TRADE ORGANIZATION; WTO.—The terms ''World Trade Organization'' and ''WTO'' mean the organization established pursuant to the WTO Agreement.

(11) WTO AGREEMENT.—The term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

BRYAN (AND REID) AMENDMENT NO. 4371

Mr. BRYAN (for himself and Mr. REID) proposed an amendment to amendment No. 4369 proposed by Mr. COHEN to the bill, S. 1745, supra, as follows:

In the table in subsection (b), delete the entry relating to titanium sponge.

WARNER (AND SMITH) AMENDMENT NO. 4372

Mr. McCAIN (for Mr. WARNER for himself and Mr. SMITH) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle B of title II add the following:

SEC. 223. CYCLONE CLASS CRAFT SELF-DEFENSE.

(a) STUDY REQUIRED.—Not later than March 31, 1997, the Secretary of Defense shall—

(1) carry out a study of vessel self-defense options for the Cyclone class patrol craft; and

(2) submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the study.

(b) SOCOM INVOLVEMENT.—The Secretary shall carry out the study through the Commander of the Special Operations Command.

(c) SPECIFIC SYSTEM TO BE EVALUATED.—The study under subsection (a) shall include an evaluation of the BARAK ship self-defense missile system.

GLENN (AND OTHERS) AMENDMENT NO. 4373

Mr. LEVIN (for Mr. GLENN for himself, Mr. ABRAHAM, and Mr. LEVIN) proposed an amendment to the bill, S. 1745, supra; as follows:

In section 1022(a), strike out ''. Such transfers'' and insert in lieu thereof '', if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.). A transfer made under the preceding sentence''.

COHEN AMENDMENT NO. 4374

Mr. MCCAIN (for Mr. COHEN) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle F of title X add the following:

SEC. 1072. CLARIFICATION OF NATIONAL SECURITY SYSTEMS TO WHICH THE INFORMATION TECHNOLOGY MANAGEMENT REFORM ACT OF 1996 APPLIES.

Section 5142(b) of the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 689; 40 U.S.C. 1452(b)) is amended—

(1) by striking out ''(b) LIMITATION.—'' and inserting in lieu thereof ''(b) LIMITATIONS.—(1)''; and

(2) by adding at the end the following:

''(2) Notwithstanding any other provision of this section or any other provision of law, for the purposes of this subtitle, a system that, in function, operation, or use, involves the storage, processing, or forwarding of classified information and is protected at all times by procedures established for the handling of classified information shall be considered as a national security system under the definition in subsection (a) only if the function, operation, or use of the system—

''(A) involves activities described in paragraph (1), (2), or (3) of subsection (a);

''(B) involves equipment described in paragraph (4) of subsection (a); or

''(C) is critical to an objective described in paragraph (5) of subsection (a) and is not excluded by paragraph (1) of this subsection.''.

HEFLIN (AND SHELBY) AMENDMENT NO. 4375

Mr. LEVIN (for Mr. HEFLIN for himself and Mr. SHELBY) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle B of title I, add the following:

SEC. 113. TYPE CLASSIFICATION OF ELECTRO OPTIC AUGMENTATION (EOA) SYSTEM.

(a) REQUIREMENT.—The Secretary of the Army shall type classify the Electro Optic Augmentation (EOA) system.

(b) FUNDING.—Of the amounts authorized to be appropriated for the Army by this division, $100,000 shall made be available to the Armored Systems Modernization Program manager for the type classification required by subsection (a).

GRASSLEY AMENDMENT NO. 4376

Mr. MCCAIN (for Mr. GRASSLEY) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of section 218(a) add the following: ''The report shall include—

''(1) a comparison of—

''(A) the results of the review, with

''(B) the results of the last independent estimate of production costs of the program that was prepared by the Cost Analysis Improvement Group in July 1991; and

''(2) a description of any major changes in programmatic assumptions that have occurred since the estimate referred to in paragraph (1)(B) was made, including any major change in assumptions regarding the program schedule, the quantity of aircraft to be developed and acquired, and the annual rates of production, together with an assessment of the effects of such changes on the program.''.

SIMON (AND OTHERS) AMENDMENT NO. 4377

Mr. LEVIN (for Mr. SIMON for himself, Mr. CONRAD, and Mr. LEVIN) proposed and amendment to the bill, S. 1745; supra; as follows:

At the end of subtitle D of title II, add the following:

SEC. 243. DESALTING TECHNOLOGIES.

(a) FINDINGS.—Congress makes the following findings:

(1) Access to scarce fresh water is likely to be a cause of future military conflicts in the Middle East and has a direct impact on stability and security in the region.

(2) The Middle East is an area of vital and strategic importance to the United States.

(3) The United States has played a military role in the Middle East, most recently in the Persian Gulf War, and may likely be called upon again to deter aggression in the region.

(4) United States troops have used desalting technologies to guarantee the availability of fresh water in past deployments in the Middle East.

(5) Adequate, efficient, and cheap access to high-quality fresh water will be vital to maintaining the readiness and sustainability of United States troops, and those of our allies.

(b) SENSE OF SENATE.—It is the sense of the Senate that, as improved access to fresh water will be an important factor in helping prevent future conflicts in the Middle East, the United States should, in cooperation with its allies, promote and invest in technologies to reduce the costs of converting saline water into fresh water.

(c) FUNDING FOR RESEARCH AND DEVELOPMENT.—Of the amounts authorized to be appropriated by this title, the Secretary shall place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water into fresh water.

MCCAIN (AND OTHERS) AMENDMENT NO. 4378

Mr. MCCAIN (for himself, Mr. HATCH, Mr. BENNETT, and Mr. NUNN) proposed an amendment to the bill, S. 1745, supra; as follows:

Strike out section 366 and insert in lieu thereof the following new section:

SEC. 366. DEPARTMENT OF DEFENSE SUPPORT FOR SPORTING EVENTS.

(a) SECURITY AND SAFETY ASSISTANCE.—At the request of a Federal, State, or local government agency responsible for providing law enforcement services, security services, or safety services, the Secretary of Defense may authorize the commander of a military installation or other facility of the Department of Defense or the commander of a specified or unified combatant command to provide assistance for the World Cup Soccer Games, the Goodwill Games, the Olympics, and any other civilian sporting event in support of essential security and safety at such event, but only if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

(b) OTHER ASSISTANCE.—The Secretary may authorize a commander referred to in subsection (a) to provide assistance for a sporting event referred to in that subsection in support of other needs relating to such event, but only—

(1) to the extent that such needs cannot reasonably be met by a source other than the Department;

(2) to the extent that the provision of such assistance does not adversely affect the military preparedness of the Armed Forces; and

(3) if the organization requesting such assistance agrees to reimburse the Department for amounts expended by the Department in providing the assistance in accordance with the provisions of section 377 of title 10, United States Code, and other applicable provisions of law.

(c) INAPPLICABILITY TO CERTAIN EVENTS.—Subsections (a) and (b) do not apply to the following sporting events:

(1) Sporting events for which funds have been appropriated before the date of the enactment of this Act.

(2) The Special Olympics.

(3) The Paralympics.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the provision of assistance under this section as the Secretary considers necessary and appropriate to protect the interests of the United States.

(e) REPORT ON ASSISTANCE.—Not later than January 30 of each year following a year in which the Secretary provides assistance under this section, the Secretary shall submit to the congressional defense committees a report on the assistance provided. The report shall set forth—

(1) a description of the assistance provided;

(2) the amount expended by the Department in providing the assistance;

(3) if the assistance was provided under subsection (a), the certification of the Attorney General with respect to the assistance under that subsection; and

(4) if the assistance was provided under subsection (b)—

(A) an explanation why the assistance could not reasonably be met by a source other than the Department; and

(B) the amount the Department was reimbursed under that subsection.

(f) RELATIONSHIP TO OTHER LAWS.—Assistance provided under this section shall be subject to the provisions of sections 375 and 376 of title 10, United States Code.

REID AMENDMENT NO. 4379

Mr. LEVIN (for Mr. REID) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle C of title XXXI, add the following:

SEC. 3138. PAYMENT OF COSTS OF OPERATION AND MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST SIT.

Notwithstanding any other provision of law and effective as of September 30, 1996, the costs associated with operating and maintaining the infrastructure at the Nevada Test Site, Nevada, with respect to any activities initiated at the site after that date by the Department of Defense pursuant to a work for others agreement may be paid for from funds authorized to be appropriated to the Department of Energy for activities at the Nevada Test Site.

KYL (AND BINGAMAN) AMENDMENT NO. 4380

Mr. MCCAIN (for Mr. KYL, for himself and Mr. BINGAMAN) proposed an amendment to the bill, s. 1745, supra; as follows:

At the end of subtitle D of title X add the following:

SEC. 1044. SENSE OF THE SENATE CONCERNING EXPORT CONTROLS.

(a) FINDINGS.—The Senate makes the following findings:

(1) Export controls are a part of a comprehensive response to national security threats. United States exports should be restricted where those threats exist to national security, nonproliferation, and foreign policy interests of the United States.

(2) The export of certain commodities and technology may adversely affect the national security and foreign policy of the United States by making a significant contribution to the military potential of individual countries or by disseminating the capability to design, develop, test, produce, stockpile, or use weapons of mass destruction, missile delivery systems, and other significant military capabilities. Therefore, the administration of export controls should emphasize the control of these exports.

(3) The acquisition of sensitive commodities and technologies by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons, missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States and its allies. The availability to countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through deterrence, negotiations, and other appropriate means whenever possible.

(4) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(5) On November 5, 1995, President William J. Clinton extended Executive Order No. 12938 regarding ''Weapons of Mass Destruction'', and ''declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the proliferation of nuclear, biological, and chemical weapons and the means of delivering such weapons''.

(6) A successor regime to COCOM (the Coordinating Commission on Multilateral Controls) has not been established. Currently, each nation is determining independently which dual-use military items, if any, will be controlled for export.

(7) The United States should play a leading role in promoting transparency and responsibility with regard to the transfers of sensitive dual-use goods and technologies.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) establishing an international export control regime, empowered to control exports of dual-use technology, is critically important and should become a top priority for the United States; and

(2) the United States should strongly encourage its allies and friends to—

(A) adopt a commodity control list which governs the same or similar items as are controlled by the United States Commodity Control list;

(B) strengthen enforcement activities; and

(C) explore the use of unilateral export controls where the possibility exists that an export could contribute to proliferation.

HELMS AMENDMENT NO. 4381

Mr. MCCAIN (for Mr. HELMS) proposed an amendment to the bill, S. 1745, supra; as follows:

In section 1031(a), strike out ''The Secretary of Defense'' and insert in lieu thereof ''Subject to subsections (e) and (f), the Secretary of Defense''.

At the end of section 1031, add the following:

(e) LIMITATIONS.—(1) The Secretary may not obligate or expend funds to provide support under this section until 15 days after the date on which the Secretary submits to the committees referred to in paragraph (3) the certification described in paragraph (2).

(2) The certification referred to in paragraph (1) is a written certification of the following:

(A) That the provision of support under this section will not adversely affect the military preparedness of the United States Armed Forces.

(B) That the equipment and materiel provided as support will be used only by officials and employees of the Government of Mexico who have undergone a background check by that government.

(C) That the Government of Mexico has certified to the Secretary that—

(i) the equipment and material provided as support will be used only by the officials and employees referred to in subparagraph (B);

(ii) none of the equipment or materiel will be transferred (by sale, gift, or otherwise) to any person or entity not authorized by the United States to receive the equipment or materiel; and

(iii) the equipment and materiel will be used only for the purposes intended by the United States Government.

(D) That the Government of Mexico has implemented, to the satisfaction of the Secretary, a system that will provide an accounting and inventory of the equipment and materiel provided as support.

(E) That the departments, agencies, and instrumentalities of the Government of Mexico will grant United States Government personnel unrestricted access to any of the equipment or materiel provided as support, or to any of the records relating to such equipment or materiel, under terms and conditions similar to the terms and conditions imposed with respect to such access under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(F) That the Government of Mexico will provide security with respect to the equipment and materiel provided as support that is equivalent to the security that the United States Government would provide with respect to such equipment and materiel.

(G) That the Government of Mexico will permit continuous observation and review by United States Government personnel of the use of the equipment and materiel provided as support under terms and conditions similar to the terms and conditions imposed with respect to such observation and review under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(3) The committees referred to in this paragraph are the following:

(A) The Committees on Armed Services and Foreign Relations of the Senate.

(B) The Committees on National Security and International Relations of the House of Representatives.

(f) PROHIBITION ON PROVISION OF CERTAIN MILITARY EQUIPMENT.—The Secretary may not provide as support under this section—

(1) any article of military equipment for which special export controls are warranted because of the substantial military utility or capability of such equipment;

(2) any military equipment identified on the United States Munitions List; or

(3) any of the following military equipment (whether or not the equipment has been equipped, re-equipped, or modified for military operations):

(A) Cargo aircraft bearing ''C'' designations, including aircraft with designations C–45 through C–125, C–131 aircraft, and aircraft bearing ''C'' designations that use reciprocating engines.

(B) Trainer aircraft bearing ''T'' designations, including aircraft bearing such designations that use reciprocating engines or turboprop engines delivering less than 600 horsepower.

(C) Utility aircraft bearing ''U'' designations, including UH–1 aircraft and UH/EH–60 aircraft and aircraft bearing such designations that use reciprocating engines.

(D) Liaison aircraft bearing ''L'' designations.

(E) Observation aircraft bearing ''O'' designations, including OH–58 aircraft and aircraft bearing such designations that use reciprocating engines.

(F) Truck, tractors, trailers, and vans, including all vehicles bearing ''M'' designations.

FEINSTEIN (AND OTHERS) AMENDMENT NO. 4382

Mr. LEVIN (for Mrs. FEINSTEIN for herself, Mr. KYL, and Mr. GRASSLEY) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle F of title X, add the following:

SEC. 1072. SALE OF CHEMICALS USED TO MANUFACTURE CONTROLLED SUBSTANCES BY FEDERAL DEPARTMENTS OR AGENCIES.

A Federal department or agency may not sell from the stocks of the department or agency any chemical which, as determined by the Administrator of the Drug Enforcement Agency, could be used in the manufacture of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) unless the Administrator certifies in writing to the head of the department or agency that there is no reasonable cause to believe that the sale of the chemical would result in the illegal manufacture of a controlled substance.

MOSELEY-BRAUN (AND OTHERS) AMENDMENT NO. 4383

Mr. MCCAIN (for Ms. MOSELEY-BRAUN, for herself, Mr. COCHRAN, and Mr. LOTT) proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle B of title II, add the following:

SEC. 223. COMPUTER-ASSISTED EDUCATION AND TRAINING.

Of the amount authorized to be appropriated under section 201(4), $10,000,000 shall be available under program element 0601103D for computer-assisted education and training at the Defense Advanced Research Projects Agency.

LEVIN AMENDMENT NO. 4384

Mr. LEVIN proposed an amendment to the bill, S. 1745, supra; as follows:

At the end of subtitle F of title X add the following:

SEC. 1072. OPERATIONAL SUPPORT AIRLIFT AIRCRAFT.

(a) STATUS OF EXCESS AIRCRAFT.—Operational support airlift aircraft excess to the requirements of the Department of Defense shall be placed in an inactive status and stored at Davis-Monthan Air Force Base, Arizona, pending the completion of any study or analysis of the costs and benefits of disposing of or operating such aircraft that precedes a decision to dispose of or continue to operate such aircraft.

(b) OPERATIONAL SUPPORT AIRLIFT AIRCRAFT DEFINED.—In this section, the term ''operational support airlift aircraft'' has the meaning given such term in section 1086(f) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 458).

THE NORTH PLATTE NATIONAL WILDLIFE REFUGE BOUNDARY ACT OF 1996

CHAFEE AMENDMENT NO. 4385

Mr. MCCAIN (for Mr. CHAFEE) proposed an amendment to the bill (H.R. 2679) to revise the boundary of the North Platte National Wildlife Refuge; as follows:

Strike all after the enacting clause and insert the following:

TITLE I—NORTH PLATTE NATIONAL WILDLIFE REFUGE

SEC. 101. REVISION OF BOUNDARY OF NORTH PLATTE NATIONAL WILDLIFE REFUGE.

(a) TERMINATION OF JURISDICTION.—The secondary jurisdiction of the United States Fish and Wildlife Service over approximately 2,470 acres of land at the North Platte National Wildlife Refuge in the State of Nebraska, as depicted on a map entitled ''Relinquishment of North Platte National Wildlife Refuge Secondary Jurisdiction'', dated August 1995, and available for inspection at appropriate offices of the United States Fish and Wildlife Service, is terminated.

(b) REVOCATION OF EXECUTIVE ORDER.—Executive Order Number 2446, dated August 21, 1916, is revoked with respect to the land described in subsection (a).

TITLE II—PETTAQUAMSCUTT COVE NATIONAL WILDLIFE REFUGE

SEC. 201. EXPANSION OF PETTAQUAMSCUTT COVE NATIONAL WILDLIFE REFUGE.

Section 204 of Public Law 100–610 (16 U.S.C. 668dd note) is amended by adding at the end the following:

''(e) EXPANSION OF REFUGE.—

''(1) ACQUISITION.—The Secretary may acquire for addition to the refuge the area in Rhode Island known as 'Foddering Farm Acres', consisting of approximately 100 acres, adjacent to Long Cove and bordering on Foddering Farm Road to the south and Point Judith Road to the east, as depicted on a map entitled 'Pettaquamscutt Cove NWR Expansion Area', dated May 13, 1996, and available for inspection in appropriate offices of the United States Fish and Wildlife Service.

''(2) BOUNDARY REVISION.—The boundaries of the refuge are revised to include the area described in paragraph (1).

''(f) FUTURE EXPANSION.—

''(1) IN GENERAL.—The Secretary may acquire for addition to the refuge such lands, waters, and interests in land and water as the Secretary considers appropriate and shall adjust the boundaries of the refuge accordingly.

''(2) APPLICABLE LAWS.—Any acquisition described in paragraph (1) shall be carried out in accordance with all applicable laws.''.

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206(a) of Public Law 100–610 (16 U.S.C. 668dd note) is amended by striking ''designated in section 4(a)(1)'' and inserting ''designated or identified under section 204''.

SEC. 203. TECHNICAL AMENDMENTS.

Public Law 100–610 (16 U.S.C. 668dd note) is amended—

(1) in section 201(1)—

(A) by striking ''and the associated'' and inserting ''including the associated''; and

(B) by striking ''and dividing'' and inserting ''dividing'';

(2) in section 203, by striking ''of this Act'' and inserting ''of this title'';

(3) in section 204—

(A) in subsection (a)(1), by striking ''of this Act'' and inserting ''of this title''; and

(B) in subsection (b), by striking ''purpose of this Act'' and inserting ''purposes of this title'';

(4) in the second sentence of section 205, by striking ''of this Act'' and inserting ''of this title''; and

(5) in section 207, by striking ''Act'' and inserting ''title''.

Amend the title so as to read: ''An Act to revise the boundary of the North Platte National Wildlife Refuge, to expand the Pettaquamscutt Cove National Wildlife Refuge, and for other purposes.''.

THE MARK O. HATFIELD UNITED STATES COURTHOUSE DESIGNATION ACT OF 1996

LEVIN AMENDMENT NO. 4386

Mr. MCCAIN (for Mr. LEVIN) proposed an amendment to the bill (S. 1636) to designate the United States Courthouse under construction at 1030 Southwest 3d Avenue, Portland, OR, as the ''Mark O. Hatfield United States Courthouse,'' and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . EXTENSION OF FDR MEMORIAL MEMBER TERMS.

The first section of the Act entitled ''An Act to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt'', approved August 11, 1955 (69 Stat. 694) is amended by adding at the end thereof the following: ''A Commissioner who ceases to be a Member of the Senate or the House of Representatives may, with the approval of the appointing authority, continue to serve as a Commissioner for a period of up to one year after he or she ceases to be a Member of the Senate or the House of Representatives.''.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Committee on Indian Affairs will hold a hearing on Wednesday, July 3, 1996 at 9:30 a.m. in Hawaii. The hearing will focus on the final report of the National Commission on American Indian, Alaska Native and Native Hawaiian Housing, a report of the Urban Development and Research of the U.S. Department of Housing and Urban Development, and a study prepared by SMS Research for the Department of Hawaiian Home Lands entitled, the ''Beneficiary Needs Study.'' The hearing will be held in the Aha Kanawai Courtroom, fourth floor, Federal Courthouse, Prince Kuhio Federal building complex, Honolulu, HI.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the benefit of Members and the public that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources has scheduled a hearing on several measures relating to the Bureau of Reclamation.

The measures are:

S. 931—To authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, and for other purposes.

S. 1564—To amend the Small Reclamation Projects Act of 1956 to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality, and transmission projects, and for other purposes.

S. 1565—To amend the Small Reclamation Projects Act of 1956 and to supplement the Federal Reclamation Laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects.

S. 1649—to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, and for other purposes.

S. 1719—To require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

The hearing will take place on Tuesday, July 30, 1996 at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building.

Those wishing to testify or submit written statements for the record should contact James Beirne or Betty Nevitt of the subcommittee staff or write the Subcommittee on Forests and Public Land Management, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Thursday, June 27, 1996 beginning at 10 a.m. in room SH–215, to conduct a markup on S. 1795.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. THURMOND. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, June 27 at 10 a.m. for a hearing on ''Improving Management and Organization in Federal Natural Resources and Environmental Functions.''

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

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, June 27, 1996, at 9:30 a.m., to hold an executive business meeting.

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

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, June 27, 1996, at 10 a.m. to hold a hearing on ''Church Burnings.''

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

SUBCOMMITTEE ON HOUSING OPPORTUNITY AND COMMUNITY DEVELOPMENT

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, June 27, 1996, to conduct a hearing on restructuring the Federal Housing Administration's Insured and Assisted Multifamily Housing Portfolio.

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

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 27, at 2 pm to hold hearing.

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

ADDITIONAL STATEMENTS

CHURCH BURNINGS

Mr. KYL. Mr. President, the attacks on the churches, predominantly in the Southeast, are far more than attacks on these institutions—they are attacks on the very foundation of the United States. This country was formed to protect people's religious liberty. Burning a place of worship assaults this principle. The American people, who cherish religious freedom, do not look kindly on the destruction of houses of worship.

I think the American people are particularly concerned—I know I am—that a disproportionate number of these attacks have occurred at African-American churches. Of the 56 church burnings in the past 18 months, approximately 40 were predominantly African-American houses of worship. Many of these institutions are more than places of prayer—they are the center of the community.

According to the Justice Department, racial hatred is behind at least some of the burnings. Authorities will need to continue to investigate whether the fires prove to be part of a conspiracy or the work of individual miscreants.

It is important to note that church burnings have occurred outside of the Southeast, including in Arizona. This February, the 65-year-old First Southern Baptist Church in Tucson was badly damaged by a fire that is now under Federal investigation. The Pastor, Ron Hart, said words with universal appeal: ''The First Southern Baptist Church did not burn down—just the building. The church is scattered all over Tucson. People are the church. We can rebuild.''

While it took too long for the church burnings to bother America's conscience, now that the issue is in the open, there is action on many fronts to put an end to the fires, capture those responsible, and help rebuild destroyed institutions.

Federal and State law-enforcement agencies are working together to solve these crimes against the people of America. Over 200 Federal law-enforcement agents are on the case, and many more State and local officials are investigating the fires.

A laudable example of Federal-State cooperation will soon occur in my State of Arizona. Next week, in Phoenix, the FBI and the Phoenix Police Department will host a forum on the church burnings with African-American pastors.

In responding to the burnings, the Congress has acted in a most appropriate bipartisan fashion to get to the bottom of these terrorist incidents. Hearings have already been held in the House. And today the Senate Judiciary Committee learned the latest on the criminal investigation.

Senators FAIRCLOTH and KENNEDY and Representatives HYDE and CONYERS have drafted church arson legislation that will soon reach the President. Both chambers have passed it unanimously. The measure will sharpen federal penalties for the burning of churches and enhance the resources available to law enforcement to investigate and prevent such acts of arson in the future.

Another key element of the legislation provides Federal loan guarantees to help rebuild the razed churches. Senator KENNEDY describes this section as an ''important provision granting the Department of Housing and Urban Development the authority to make loan guarantees to lenders who provide loans to places of worship that have been victimized by arson.'' This section is important for the comfort it will provide to churches that lack the resources to rebuild, assuming that it does not violate the wall of separation between church and State.

Private efforts are at least equally impressive. Organizations both religious and nonreligious have pledged millions in grants and loans to help rebuild the churches.

The reaction of the religious community is particularly commendable and welcome. During the civil rights struggle, the Reverend Martin Luther King Jr. lamented the religious community's lack of support for those engaged in efforts to end segregation and promote equality:

> Called to be the moral guardian of the community, the Church at times has preserved that which is immoral and unethical. Called to combat social evils, it has remained silent behind stained-glass windows.

I think Dr. King would be very happy to learn that America has grown, and this indifference is no longer the case. Before the church burnings received national attention, the Christian Coalition posted a $25,000 award for information leading to the conviction of any church arsonist, and recently, the group announced a major fundraising drive to repair and reconstruct the houses of worship. The Southern Baptist Convention, at its annual meeting this month, passed a resolution condemning the arsons, and initiated an offering to help rebuild the churches. Other notable organizations have offered assistance, including the National Council of Churches and the Anti-Defamation League.

I applaud all those who have undertaken these efforts. We must all continue to work together as one people—the American people—to douse the flames, punish those responsible, and rebuild what pernicious bigotry and hatred have sought to destroy.

HEDGESVILLE HIGH SCHOOL

• Mr. ROCKEFELLER. Mr. President, I would like to congratulate Hedgesville High School on their outstanding achievement in We the People * * * the Citizen and the Constitution national finals. This competition promotes an understanding of the key objectives and significance of American constitutional democracy.

The 17 students from Hedgesville, WV, who competed in the national finals in Washington, DC, April 27–29, were Erin Ambrester, Kelly Buck, Robert Deters, Dwain Donaldson, Alisha Harper, Jessica Hedrick, Jennifer Huftless, Janice Kelly, Travis Kline, Rebecca Maslauskas, Aaron Moats, Janelle Myers, Jennifer Powers, Heidi Silver, Christopher Twigg, Stephanie Whitford, and Melissa Zombro. This group competed against 49 other classes from around the country.

I would also like to recognize their teacher, Harriett Kopp, who deserves

acknowledgment for the success of the team. Other individuals who contributed to the team were district coordinator, Sharon Flack, and State coordinator, Ernest Dotson.

This program is conducted by the Center for Civic Education. The program itself reaches more than 22 million students between elementary and high school levels. The national finals are similar to a congressional hearing whereby students testify as constitutional experts before a panel of judges.

This nationally acclaimed program helps students understand the history and principles of our constitutional government. The U.S. Constitution and Bill of Rights are the focus of this civic competition among students in public and private schools.

This particular class from Hedgesville High School participated at the congressional district, State, and national levels. The panel of judges score students on the basis of their ability to comprehend the constitutional principles of America's historical and contemporary issues. Again, Mr. President, I am so proud of these young men and women from Hedgesville High School.●

TRIBUTE TO BANDO MANUFACTURING OF AMERICA

● Mr. McCONNELL. Mr. President, I rise today to congratulate Bando Manufacturing of America [BMA], located in Bowling Green, KY, on receiving a supplier quality award from Honda of American Manufacturing. The associates of BMA were presented with a supplier award for outstanding achievement in quality by Honda officials.

Bando was 1 of 60 of Honda's 353 North American suppliers to receive an award at the company's 14th annual Supplier Conference in April. Bando makes power transmission belts for the Honda Accord and Civic which are both manufactured at the Marysville, OH, Honda plant.

Dave Nelson, senior vice-president of Honda of American Manufacturing Purchasing and Corporate Affairs, commented, ''The quality level, competitiveness, and development capability of suppliers is an essential part of Honda's growth in North America. That's why we honor companies like Bando Manufacturing of America. Their commitment and quality focus is absolutely critical to our future success together.'' He added, ''As we develop and manufacture new products for new markets, we plan for our suppliers to play an ever-increasing role in their development.''

In addition to automotive transmission belts, Bando Manufacturing of America also produces power transmission belts for industrial and agricultural applications. With a production capacity of 850,000 pieces per month, Bando currently has 159 employees.

Mr. President, I ask you and my colleagues to join me in congratulating Bando Manufacturing of America on receiving this distinguished award.●

ILLITERACY

● Mr. LAUTENBERG. Mr. President, I rise to call to the Senate's attention the serious problem of illiteracy and its effects on our citizens and our Nation.

Despite living in one of the most technologically advanced countries in the world, far too many Americans are illiterate. Over 27 million of our fellow citizens cannot read, and an additional 35 million read below the level necessary to function in our society. What is particularly alarming is that the ranks of the illiterate are annually swelling by over 2 million adults. In our current age, information is power, but for too many Americans, information is simply inaccessible.

The personal costs of adult illiteracy are indeed high; however, the costs are borne not only by these individuals, but by our Nation as a whole. Illiteracy robs an individual of dignity, and it robs a community of their potential contributions. In fact, the cost, in terms of wasted human resources, is estimated at over $225 billion.

Mr. President, I want to commend those who are dedicating their lives to eradicating illiteracy. I want to thank the teachers, volunteers, parents, and others across America who are freely giving of their time and talent to help those who cannot read. In my own State of New Jersey, ''Focus on Literacy, Inc.'' is a group that is undertaking heroic efforts in the battle against illiteracy; I extend my thanks to everyone involved.

We must focus attention on illiteracy. All of us need to understand the extent of the problem and its far-reaching effects. We must also ensure that our citizens who need help know where services are available. But most importantly, more of us need to enlist in the battle to close the book on illiteracy.●

TRIBUTE TO THE TOWN OF JEFFERSON, NH, AS IT CELEBRATES ITS BICENTENNIAL

● Mr. SMITH. Mr. President, I rise today to pay tribute to the town of Jefferson, NH, on their 200th Anniversary. Jefferson is celebrating their 200th birthday all throughout the year, and the town's citizens will highlight these festivities with a Grand Parade and numerous other activities on July 6. This small New Hampshire town has a significant heritage to celebrate on their bicentennial.

The history of Jefferson began in 1765 with a land grant from George III to John Goffe and 75 others. Although Goffe and his friends failed to meet the conditions of the grant and retain the land, they left the area with the name Dartmouth, which would eventually become Jefferson. The land was eventually granted to Col. Joseph Whipple, a man of great vision who saw the potential and appreciated the beauty of the Singrawac Valley. Located midway along the slopes of Mount Starr King in the Pliny Range, Jefferson has breathtaking views of both the Presidential Range and Cherry Mountain.

Colonel Whipple was instrumental in Jefferson's development, as the man responsible for giving the town its distinguished name. He was both a personal friend to Thomas Jefferson and an ardent Jeffersonian Democrat. In addition, he was the brother of William Whipple, one of New Hampshire's three signers of the Declaration of Independence. In honor of this great man the town received the name Jefferson in 1796, 4 years before Thomas Jefferson was elected President of the United States. Later in 1796 an act of the New Hampshire legislature incorporated the town of Jefferson, beginning its proud history.

The early settlers of this untamed country were independent and self-sufficient folk, characteristics that have endured in the people of this region. They began as a farming community working for the town's founder Colonel Whipple. They were paid with half of a hundred acre lot and had the option to buy the other half. With their independent spirit and determination they built a strong and lasting community that makes their descendants proud. When the town was first settled, the nearest mill was forty miles away, yet the town residents made the trip with bushels of corn in tow.

Thomas Starr King was an important figure in the town's history and lent his name to the mountain Jefferson proudly rests upon. It was he who encouraged Benjamin Plaisted to build a hotel for tourists in this northern region. He wanted to see a place created where people could contemplate the ever changing beauty of the majestic mountains. The Waumbeck, meaning White Rock, was built in 1860 with its name and location chosen by Mr. King. At the height of the late 1800's, the area around Jefferson boasted a large community of inns and hotels. Deborah Vicker was also an important figure in Jefferson's history. She was originally a housemaid of Col. Whipple who, with typical Jefferson independence, later became a well respected doctor in the region.

Today, the town of Jefferson prides itself on its quality of life and community spirit, a tradition that has manifested itself throughout the town's history. In 1885, a disastrous rock slide on the mountain destroyed a nearly completed home and in 1928, fire destroyed the Waumbeck Hotel. Although the era of the grand hotels of the 19th century is gone, the people of Jefferson continue to enjoy their majestic view of the Singrawac Valley and the surrounding mountains. The great Jefferson community spirit manifested itself again in 1988, when a series of fires in the area threatened the town and drew national attention as the community pulled together. This town of nearly

1,000 residents boasts not only magnificent surroundings, but a community of friendly, caring neighbors as well.

I congratulate the town of Jefferson on this historic milestone and wish them a happy bicentennial celebration. I send them my best wishes for continued success and a prosperous year as they mark their 200th birthday. Happy Birthday Jefferson.●

DR. JAMES J. DUDERSTADT

● Mr. LEVIN. Mr. President, I rise to honor Dr. James J. Duderstadt as he leaves the office of president of the University of Michigan after 8 years of outstanding leadership.

James Duderstadt has dutifully served the University of Michigan for the past 28 years. He first joined the faculty in 1969 as an assistant professor of nuclear engineering. He became an associate professor in 1972 and a full professor in 1976. During 1981–86, Dr. Duderstadt was appointed dean of the College of Engineering. In 1986, he was named provost and vice president for academic affairs. Dr. Duderstadt was elected president of the University of Michigan in 1988.

Under Dr. Duderstadt's leadership, the University of Michigan has become the Nation's top research university. He has worked hard to attract the best faculty and to solidify strong private and Federal support. Under his watch, U of M increased its endowment by five times to $1.6 billion and became the first public university to earn an Aa1 credit rating from Moody's Investors Service. Dr. Duderstadt and the University of Michigan have put this newfound investment to good use. U of M is currently involved in renovating all of its campus buildings, diversifying the university community, and strengthening its academic programs.

Dr. Duderstadt's teaching and research interests include science, mathematics, and engineering. He has worked on projects involving nuclear fission reactors, laser-driven thermonuclear fusion and supercomputer development. Dr. Duderstadt's work in the areas of science and education have won him many national awards. He has been the recipient of the Mark Mills Prize for the outstanding thesis in nuclear science, the E.O. Lawrence Award for excellence in nuclear research, and the Arthur Holly Compton Prize for outstanding teaching.

I know my Senate colleagues join me in honoring Dr. James J. Duderstadt on the remarkable work he has done at the University of Michigan.●

CONTINUING DEVELOPMENTS IN IRAN

● Mr. D'AMATO. Mr. President, I wish to warn my colleagues of continuing developments in Iran which I believe to be very dangerous to the national interests of the United States.

As many are aware, I have spoken before to express my concerns about the continuing threat which I believe the leadership of Iran offers to the Middle East. Today, I would like to focus again on Iran's procurement of missiles which threaten the free passage through the Persian Gulf of oil and other goods vital to the United States.

Early this year Pentagon officials acknowledged that Iran had test-fired a Chinese-built C–802 antiship cruise missile. The test firing of this missile occurred near the approaches of the Strait of Hormuz, the strategic waterway at the entrance to the Persian Gulf. The C–802 antiship cruise missile can achieve speeds up to mach 0.9 and can be fired from over 50 miles from the target ship. It is powered by a turbojet with a rocket booster and attacks the target vessel at a height of only 15 feet above the ocean. The Pentagon said that five Chinese fast-attack craft are equipped to carry the missiles, with another five of the missile patrol boats expected to be delivered to Iran soon. Additionally, 10 Kaman-class fast attack boats are now being modified by Iran to carry the C–802. In response to this development, Senators LARRY PRESSLER, ARLEN SPECTER, CONNIE MACK, and I asked President Clinton to verify that China had sold this missile to Iran in violation of the Iran-Iraq Arms Non-Proliferation Act of 1992. I regret to say that the response of the administration was unsatisfactory.

A less publicized acquisition of Iran has been the procurement of the SS–N–22 (SUNBURN) anti-ship cruise missile from a Former Soviet Union State. This missile is much more capable and dangerous than the Chinese C–802. The SUNBURN missile can travel at speeds up to mach 2.5, almost 3 times as fast as the Chinese C–802 missile. It can perform ''S'' turns during flight and carries sophisticated electronic sensors. This missile, as I will discuss in more detail, poses a significant threat to our naval vessels and the free flow of oil in the Persian Gulf.

Mr. President, let me talk briefly and in very general terms about the systems which our naval vessels use to defend themselves. At the outset, I should say that the Navy has begun to improve its ship self-defense systems, as they are called, following the tragic incident in which the U.S.S. *Stark* was hit and badly damaged by an Iraqi-launched Exocet missile. The ship self-defense systems fall into two general categories. The first are sensors, missiles and guns which are designed to locate and shoot down the attacking missile. The idea is to hit a bullet with a bullet. I believe that there can be no disagreement that this is a difficult task. Because of the size of the Persian Gulf, ships are always relatively close to shore. When an antiship missile is fired from a land-based site as it could be in Iran, ground clutter can conceal the missile from ship or aircraft radar until it reaches open water, which reduces the reaction time of our ships and makes the interception much more difficult. With an anti-ship missile like the SUNBURN, traveling at mach 2.5, the time from its appearance over the horizon until it impacts on its target is only approximately 30 seconds. Further, sophisticated missiles which engage in corkscrew and serpentine maneuvers as they enter their final phase make them very difficult to engage.

The second general category of ship self-defense systems are decoys. Navy vessels are equipped to fire chaff into the air when their sensors detect an incoming anti-ship missile. The chaff can confuse the sensors carried by the less sophisticated anti-ship missiles. This is simply an improvement of the technology used by aircraft early in World War II. A much more promising technology is the NULKA Decoy System. It is an all-weather self-protection missile that is especially designed to protect combatant amphibious ships operating in littoral waters against anti-ship missiles. This decoy draws the anti-ship missile away from its target and shows great promise against the most sophisticated threats when integrated with the ship's sensors and weapons systems. I urge the Pentagon and my colleagues on the Defense committees to take the necessary measures to expedite fielding of this system as quickly as possible.

Mr. President, I now ask what purpose the Government of Iran has for its actions? Its recent procurement of nuclear technology can be explained away, however lamely, with claims of non-military applications. An apologist could argue that Iran's procurement of submarines is defensive in its nature. However, there is no argument which can explain the procurement of anti-ship missiles of the type I have described. They are clearly for offensive purposes. They can only be used to attack ships in the Persian Gulf or threaten to do so. Imagine yourself as a sailor on one of our ships that has just detected the approach of such a missile. Thirty seconds is very little time to react in a meaningful way. I need not remind my colleagues that we fought in Iraq, in large part, to continue to guarantee free passage of oil from the Persian Gulf. If Iran cannot be persuaded to abandon its current course, I am afraid we may be forced to do so again.●

KESHIA THOMAS: LEADING BY EXAMPLE

● Mr. HOLLINGS. Mr. President, recently we have been seeing a lot of headlines about violence, destruction, and racial hatred. Amidst these news stories, it is truly heartening to read about a person like Keshia Thomas. This courageous woman from Ypsilanti, MI, has shown the Nation that, despite all evidence to the contrary, there is still hope that we can set aside our differences and someday have a peaceful society. On the afternoon of June 22, the only statement Keshia planned to make was to counterprotest a KKK rally near her hometown. But

when she stepped into a group of people that were beating a man and risked bodily harm to protect him, she made a greater statement than she could have dreamed. I was certainly moved by the picture of a young black woman shielding a Ku Klux Klan member from an angry crowd. And from the tremendous response her action has gotten, it appears that people all over the Nation were moved as well.

Extremely modest about the incident and her status as ''heroine'', Keshia credits the people who raised her, joking, ''who says teenagers don't listen.'' She considers herself very much a product of her upbringing by her parents and several other adults who taught her from an early age the value of education and tolerance. My office contacted Ms. Thomas and discovered that she was no stranger to Washington, DC. In 1994, Carol Tice, one of the influential people in Keshia's life, took her to the signing of Goals 2000, where she met President Clinton. Other family friends like Joseph Dulin, a principal of an Ann Arbor High School, Joe Lewis, Keshia's horseback riding instructor, and Bernadette Lewis have provided and continue to provide her with support and instruction.

Each of these men and women deserve credit in their own right, for recognizing the importance of mentoring young people. Far from the political rhetoric of family values, these people have shown by example what a valuable investment a community can make by supporting its children. The image of Keshia Thomas' bravery and humanitarianism touched us all, and we must remember that—like every image, there is a whole story behind it.

Keshia Thomas didn't act with the intention of being lauded by the press or given awards, and that is what makes her actions truly heroic. I would like to take this opportunity to thank her for giving the country a stunning example of compassion and a valuable lesson. Her philosophy of nonviolence echoes that of history's most influential activists. ''Beating someone won't change their mind * * * maybe what I did might change somebody's mind.''

After the incident was over, one of the first things that made Keshia Thomas feel like a hero was her 11-year-old brother telling her he was proud of her. Mr. President, I think we all are. ●

TRIBUTE TO GIRL SCOUT GOLD AWARD RECIPIENTS

● Mr. McCONNELL. Mr. President, I rise today to salute an outstanding group of young women who have been honored with the Girl Scout Gold Award. The Gold Award is the highest achievement a Girl Scout can earn and symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by girls aged 14–17, or in grades 9–12.

The young ladies from Kentucky who will receive this honor are: Alicia Beth Ayers, Nancy Bach, Karen Blandford, Stacy Cook, Erin Davis, Kimberly Dudgeon, Erin Emery, Emily Evans, Allison Grant, Sharon Hagan, Kimberly Hall, Colleen Kelly, Jennifer Kovacs, Katherine Lindle, Shannon Metcalf, Amy Poppell, Pasquel Ross, Emily Shults, Kimberly Stephenson, Renee Stewart, Heather Watt, Kate Woodford, and Allison Zettwoch from the Kentuckiana Girl Scout Council.

Christie DeMoss, Julie Ann Greis, Mindy Hiles, Jacqui Meier, Angela Schierberg, and Christina Teeters from the Licking Valley Girl Scout Council.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Gold Awards to Senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must earn four interest project patches, the Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge, as well as design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the Senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

Mr. President, I ask you and my colleagues to join me in paying tribute to these outstanding young ladies. They deserve recognition for their contributions to their community and their country and I wish them continued success in the years ahead.●

EQUITABLE RELIEF WITH RESPECT TO S. 1880, THE STOP TAX-EXEMPT ARENA DEBT ISSUANCE ACT

● Mr. MOYNIHAN. Mr. President, I recently introduced two bills to correct a serious misallocation of our limited resources under the present law rules that govern the issuance of tax-exempt bonds. My first bill, S. 1879, the Section 501(c)(3) Nonprofit Organizations Tax-Exempt Bond Reform Act of 1996, would increase funding for educational and research facilities at private colleges and universities by removing the arbitrary and injurious $150 million cap on the amount of tax-exempt bonds that can be issued on their behalf. The Senate has twice passed this measure as part of larger legislation that was vetoed for unrelated reasons.

My second bill, S. 1880, the Stop Tax-exempt Arena Debt Issuance Act—or ''STADIA'' for short—would provide a particularly appropriate revenue offset for the first bill. This bill would end a tax subsidy that inures largely to the benefit of wealthy sports franchise owners, by eliminating tax-subsidized financing of professional sports facilities. This legislation is important in its own right, and would close a loophole that ultimately injures State and local governments and other issuers of tax exempt bonds, that provides an unintended federal subsidy—in fact, contravenes Congressional intent—and that contributes to the enrichment of persons who need no Federal assistance whatsoever.

I chose to introduce S. 1880 with an immediate effective date for a number of reasons. Most importantly, Congress intended to eliminate the issuance of tax-exempt bonds to finance professional sports facilities as part of the Tax Reform Act of 1986. An immediate effective date is appropriate because the issuance of these bonds contravenes the clear and expressed intent of Congress. Also, an immediate effective date is necessary to prevent a rush to market. I have no doubt that bond market professionals would act very quickly to issue stadium bonds if provided a window of opportunity in which to do so. The potential for a rush to market would have a predictable impact on the revenue estimate for this measure.

At the same time, I recognized that a few localities may have expended significant time and funds in planning and financing a professional sports facility, in reliance upon professional advice on their ability to issue tax-exempt bonds. Thus, in my introductory statement, I specifically requested comment regarding ''the need for equitable relief for stadiums already in the planning stages.''

In response to my request, several localities that had been planning to finance professional sports facilities with tax-exempt bonds have already come forward. They have provided the details necessary to craft appropriate ''binding contract'' type transitional relief. They have also informed me that, despite my clear statement that appropriate transition relief would be afforded, some proposed stadium deals could be delayed or called into question in reaction to the introduction of the bill. Let me emphasize that the mere introduction of the bill has caused this reaction.

It is flattering that the mere introduction of a bill is given such credence by the bond markets. It is important to note, however, that at the time I introduced my bill to eliminate tax-exempt financing for professional sports facilities, 1,879 bills were on file in the Senate and 3,659 bills were on file in the House in this Congress. The vast majority of these bills have not and will not become law, including, in all likelihood, S. 1879 and S. 1880.

The history of this Senator's efforts to remove the $150 million cap demonstrates this lesson well. The cap was first imposed under the Tax Reform Act of 1986, which President Reagan signed into law on October 22, 1986. I first introduced legislation to repeal this cap in 1987. Since then, legislation to remove the cap has been approved by the Finance Committee four times. Twice the legislation was passed by Congress, and both times President Bush vetoed the bills containing this measure for other reasons. Today, the cap remains in law.

At all events, I have considered the circumstances of the localities that have contacted my office in response to my earlier request. I am told that time is of the essence with respect to several of these transactions. Accordingly, in an effort to respond expeditiously to this need, I am inserting into the RECORD language for a binding contract-type transition relief provision. This modification represents my best effort to draw an equitable line to distinguish between those projects that have progressed to a point where the bill should not cause a disruption, and those projects that should be subject to the bill if enacted. It is my intent that this language be included, as if introduced as part of the original bill, if and when the bill is adopted in committee or in floor action. Further, I will be certain to include this language when reintroducing this legislation in the 105th Congress.

Mr. President, I ask that this language be printed in the RECORD.

The material follows:

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to bonds issued on or after June 14, 1996.

(2) EXCEPTION FOR CONSTRUCTION, BINDING AGREEMENTS, OR APPROVED PROJECTS.—The amendments made by this section shall not apply to bonds—

(A) the proceeds of which are used for—

(i) the construction or rehabilitation of a facility—

(I) if such construction or rehabilitation began before June 14, 1996, and was completed on or after such date, or

(II) if a State or political subdivision thereof has entered into a binding contract before June 14, 1996, that requires the incurrence of significant expenditures for such construction or rehabilitation, and some of such expenditures are incurred on or after such date; or

(ii) the acquisition of a facility pursuant to a binding contract entered into by a State or political subdivision thereof before June 14, 1996, and

(B) which are the subject of an official action taken by relevant government officials before June 14, 1996—

(i) approving the issuance of such bonds, or

(ii) approving the submission of the approval of such issuance to a voter referendum.

(3) EXCEPTION FOR FINAL BOND RESOLUTIONS.—The amendments made by this section shall not apply to bonds the proceeds of which are used for the construction or rehabilitation of a facility if a State or political subdivision thereof has adopted a final bond resolution before June 14, 1996, authorizing the issuance of such bonds. For this purpose, a final bond resolution means that all necessary governmental approvals for the issuance of such bonds have been completed.

(4) SIGNIFICANT EXPENDITURES.—For purposes of paragraph (2)(A)(i)(II), the term ''significant expenditures'' means expenditures equal to or exceeding 10 percent of the reasonably anticipated cost of the construction or rehabilitation of the facility involved.●

TRIBUTE TO THE TOWN OF PELHAM, NH, ON THEIR 250TH ANNIVERSARY CELEBRATION

● Mr. SMITH. Mr. President, I rise today to pay tribute to the town of Pelham, NH, as they celebrate their 250th birthday on July 5. The town residents have been busy planning a big birthday bash including a charter ceremony, birthday party, fireworks, the town's largest parade, a fireman's muster and many other enjoyable events for the July 4 weekend. The activities are certain to bring the town together for an historic 3-day celebration.

In 1721, the first settlers came to Pelham. John Butler led a group of families from Woburn, MA, who first came to the area. The Wymans, Jakes, Richardsons, and Hamblets were part of the first group. Butler's memory is now honored by a monument on the town common.

The town of Pelham was incorporated on July 5, 1746. Then Governor Benning Wentworth of the new royal province signed the town charter on that day and named the town of Pelham after Henry Pelham, who was the Prime Minister of England at the time. Pelham had been a member of the House of Commons since 1717, and had been made Secretary of War in 1724. He succeeded Lord Wilmington as First Lord of the Treasury in 1721 and became prime minister in 1743, serving 11 years.

One interesting note is that Pelham was once a part of Massachusetts. In 1741, when the boundary line was finally settled between New Hampshire and Massachusetts, Pelham became part of New Hampshire. Originally, the town was very agricultural and had many dairy farms. Since then most of the farms have disappeared and only a few active farms exist today.

One of Pelham's wel-known residents was the Reverend Augustus Barry who was born in 1861. He was the minister of the First Congregational Church and was very active in the schools until his death in 1899. Today, the town has four major churches—St. Patrick Church, Pelham Baptist Church, the New England Pentecostal Ministries, and the First Congregational Church. Pelham's first library was built in 1896, and will celebrate its 100th anniversary this year.

Several of the events planned for the weekend birthday celebration will take place in the more historic areas of the town. Friday evening's charter ceremony and birthday party will be held on the grounds of the First Congregational Church, founded in 1751 just 5 years after the town was founded.

I congratulate the residents of Pelham on 250 years of history. I wish to extend my very best wishes for a festive weekend of activities and continued prosperity. Happy Birthday Pelham.●

CONGRATULATIONS TO PLUMCREEK TIMBER CO.

● Mrs. MURRAY. Mr. President, I rise today to congratulate PlumCreek Timber Co., headquartered in Seattle, WA. Today, Secretary Babbitt will announce the administration's approval of PlumCreek's Habitat Conservation Plan and Secretary Glickman will announce the administration's commitment to expedite the I–90 land exchange.

This HCP is the largest to be approved to date. It covers 170,000 acres of land owned by PlumCreek in Washington's central Cascade Mountains. Under the HCP, PlumCreek has agreed to provide unprecedented habitat protections on an ecosystem wide basis. The plan will protect wildlife habitat in 23 watersheds covering over 418,000 acres of mixed public and private lands.

Designed to complement the President's forest plan, the HCP will maintain current levels of old growth and ensure that all species will find adequate habitat within the planning area. It also emphasizes protection for streamside habitat and other special areas, such as wetland and caves. The plan will benefit all species, not just those currently listed under the Endangered Species Act. In exchange, PlumCreek will receive a long-term permit that will provide the company with regulatory certainty.

Mr. President, one of the primary reasons Secretary Babbitt has taken a special interest in this plan—and why I support it—is that it demonstrates how the Endangered Species Act can and does work on a large scale both to protect species and allow companies to manage actively their forests. It simply take a commitment by the government and by a private entity to work together toward common, realistic goals and respect private rights.

I want also to acknowledge that some of the environmental groups who have reviewed this HCP find it unsatisfactory. I agree that this is not a perfect document. But the process has worked and approval of this HCP demonstrates that we need not dismantle the ESA in order to have reasonable management of private timber lands.

I want to emphasize that I believe it is time to turn over a new leaf in resource conservation. We must acknowledge that private landowners should be held to a more flexible standard than public resource managers. We must start to trust each other a little more and believe that Federal land managers and our private landowners can be, and generally are, good stewards of the land. This HCP establishes a long-term relationship that we should foster.

Mr. President, PlumCreek and the administration are also celebrating their commitment to enter into serious large-scale land exchange negotiations. Under the land exchange agreement acknowledged today, PlumCreek will refrain from entering or harvesting timber for the next 2 years in some roadless areas on its land in order to encourage the Forest Service to expedite land exchange negotiations. The lands at issue are those enmeshed in a checkerboard ownership pattern around Interstate 90 and the central Cascade Mountains.

The I–90 corridor is among the most sensitive areas in the region for the

northern spotted owl, the marbled murrelet, and the gray wolf, and may be a recovery area for other species. Despite the area's biological importance, the checkboard pattern of ownership is not conducive to coordinated environmental protection.

Forrest and timber management of these lands has also been difficult. Public and private landowners are often in conflict because of their differing roles and objectives. A large-scale land exchange would reduce, if not eliminate, these conflicts. It would place valuable wildlife habitat under public management and block-up lands identified by President Clinton as essential to the recovery of spotted owls.

The PlumCreek lands to be traded also provide outstanding recreational opportunities for the growing Puget Sound metropolitan community. The lands poised for exchange are located just south of the Alpine Lakes Wilderness Area. The space these lands provide will relieve pressure on Alpine Lakes where overuse might limit future access. And buffers obtained in the exchange will protect the wilderness and pressure scenic vistas.

I pledge to work with PlumCreek and the Forest Service as they try to find lands to exchange. This will be a difficult and controversial process. And I must admit to having concerns about one part of the State gaining superb lands, while others are asked to sacrifice their nearby public lands. I am also sensitive to the concerns of National Forest dependent timber producers who fear that they will lose their dwindling land base to PlumCreek, while not receiving lands suitable for timber harvest. Finally, I acknowledge the fear that Kittitas County officials have about losing private, taxable lands in exchange for more Federal lands.

Nevertheless, I strongly support this joint Federal-private effort. I look forward to working both with PlumCreek and the Forest Service to facilitate this exchange based on a principal of equity of all interested parties.

Again, Mr. President, I offer my heartfelt congratulates to PlumCreek Timber Co. and the Clinton administration for the great strides they have made for environmental protection and economic stability.

I ask to include this June 25 editorial from the Seattle Times in the RECORD.

The editorial follows:

[From the Seattle Times, June 25, 1996]

A SENSIBLE FOREST PLAN FOR SNOQUALMIE PASS

For most of a century, Snoqualmie Pass has been both a spectacular gateway to Puget Sound and an environmental battleground. Its proud stands of Douglas fir, cedar and pine have been scattered in a checkerboard pattern of ownership, crisscrossed by railroads and highways, battered by ski areas and some of the ugliest clear-cuts the region has seen.

Now, Plum Creek Timber and the federal government, who own most of the land in the pass, have crafted a landmark land-use plan that promises to integrate environmental and economic common sense.

The ''habitat conservation plan,'' which will be formally endorsed by the Clinton administration this week, is the result of two years of work by scientists and land managers who studied 418,000 acres of public and private forest and 285 species of wildlife ranging from salamanders to grizzly bear.

Their long-term plan moves beyond species-by-species devices such as ''owl circles,'' which obstruct private landowners while producing dubious public benefits. Instead, scientists have crafted a plan that would protect wildlife habitat in some areas while allowing sensible timber harvests in others.

Already, that plan has been a target for criticism from environmentalists, who point out that logging will be allowed in certain spotted owl habitat. Critics prefer major land exchanges, assembling large parcels of critical forest under public ownership, then shutting them down.

Plum Creek and the government may negotiate such exchanges, but that could take years. Snoqualmie Pass is home to some of the most valuable timber in the nation, making exchanges difficult and costly.

The status quo hasn't worked. Since the turn of the century, timber managers have followed the same strategy—sustained yield, which calls for cutting trees at the same pace that they grow back. That strategy ignored wildlife habitat and led to overcutting of both private and public forest lands.

Nobody knows for sure what will work better. Forest Service Chief Jack Ward Thomas wants to experiment with a variety of strategies, monitoring the effects over decades to come.

The opportunity to try something new explains why the Snoqualmie Pass plan has earned support from key forestry experts and selected environmentalists as well as Interior Secretary Bruce Babbit and the timber industry itself. They see a potential model for resolving resource conflicts without turning biological questions over to federal judges. The breadth of their coalition does not prove the habitat strategy will work, only that it's well worth a try.●

IN APPRECIATION OF KITTY ST. GEORGE

● Mr. COATS. Mr. President, ours is too often a cynical age. When we hear the phrase ''public servant'' we have come to think of cartoon characters, much like those depicted 100 years ago: Overblown figures in dark suits wearing top hats, spats, and smoking cigars. These were people on the take and on the make; serving the public was far from their minds.

While the scourge of widespread cynicism is unfortunately alive and well in our Nation, so too is countervailing spirit of truly tireless public service. That is good news, very good news, indeed.

As U.S. Senators, our first duty is to the people: To represent their interests, to listen to their opinions, to do what is in the best interest of our country and our States by taking into consideration what our constituents believe. Service, truly dedicated public service, is our mission and our call.

To meet that goal, we must have around us people of like mind, people who are unapologetically committed to high ideals, people who are principled, and who have a sense of moral imagination.

For more than half my time in public life, and from my first day as a Member of the House of Representatives, I have been privileged and deeply honored to have work for me in my Fort Wayne regional office a woman named Kitty St. George.

Kitty is the beau ideal of public service. She is committed. She is dedicated. She has worked many 7-day weeks. She is cheerful. She is unfailingly kind.

We have shared many laughs. We have shared a few tears. And through it all, Kitty has been the Webster's Dictionary definition of a gentlelady. Would it were there were more public servants of Kitty's caliber.

As Senators, we are often placed on a pedestal as opinion-makers and opinion-leaders. It can be a heady place to spend part of your life.

But what makes it so meaningful, at least in large measure, is to be able to take away from your constituents, your colleagues, and your staff some glimpse of joy and contentment.

From Kitty, I take away a deeper sense of dedication, a renewed sense of hope, and perhaps most importantly, the ability to find the winsome in everyday life.

As Kitty prepares to move from Indiana to the warmer climes of the South, I wish her much love and Godspeed.●

RETIREMENT OF VIVIAN E. CHURCH

● Ms. MOSELEY-BRAUN. Mr. President, I rise today to honor Ms. Vivian E. Church upon her retirement as director of the Joyner Child Parent Center. In her 38 years working in the public school system she taught generations of children about learning and life. For 1 of those 38 years, she taught me. I am here today to thank and honor her for that and for all she has done.

Ms. Church is a native Chicagoan. She attended Chicago public schools, received her bachelors degree in Elementary Education at Roosevelt College, and her masters in education degree in inner-city studies from Northeastern Illinois University.

Her work in the public school system spanned many years and many positions. She has been a teacher, master teacher, assistant principal, title I consultant, parent resource teacher, and since 1988 the head teacher and director at the Joyner Child Parent Center.

Vivian Church touched the lives of the children that she has taught and guided in her schools. She touched the lives of many other children through her book, ''Colors Around Me,'' which she wrote for kindergarten and first-grade children. This book helps minority children to develop a positive self-image, to develop reading as a personal experience.

She is clearly an impressive woman and she should be honored for taking on the most important and, in many ways, the hardest job there is, being a

teacher. For me personally, I will always remember her not just as a teacher, but as a wonderful, warm hero.

I started school a year early. When I was in the first grade I was smaller than the rest of the children. One day, when we were playing out on the playground the other children wouldn't throw the ball to me or would throw it over my head.

Ms. Church looked out the window and saw me crying. She came outside, brought me inside, and sat me on her lap until my tears dried. She then thought up things for me to do with her for the rest of recess. Throughout the year I spent a lot of time working with Ms. Church at recess and I enjoyed myself immensely. Vivian Church went out of her way for me. She not only taught me, she made school fun for me.

After I left first grade I didn't see Ms. Church again for many years. Then one day, when I was running for the State legislature for the first time, I went to a fundraising tea. Now, Ms. Church wasn't a political activist and I never expect to see her at a campaign event. Not only was she at the fundraising tea, she held the tea in her house. She remembered that I was her first grade pupil and she was still trying to smooth the way for me all these years later.

I am honoring Ms. Church on the floor of the U.S. Senate today as my way of thanking her for all she has done for me and for the generations of children that followed. She is a hero, an inspiration, and role model. Thank you, Ms. Church.●

WELFARE–MEDICAID REFORM LEGISLATION

● Mr. CHAFEE. Mr. President, in discharging its responsibilities under the 1997 budget resolution, yesterday the Finance Committee reported S. 1795, as amended. This legislation proposes major reforms to Medicaid and welfare-related programs to give States additional flexibility, and to reduce associated Federal expenditures by $98 billion through 2002.

Under the terms of the budget resolution, this is the first of three legislative packages the Finance Committee will consider. Next month, the committee will act on legislation to shore up the troubled Medicare program. Following that, a third bill will be considered in September that will deal with other Federal entitlement programs.

I would like to make a general comment about the budget process this year, and then proceed with specified points about the Finance Committee-reported bill.

Last month the Senate rejected by only four votes an alternative budget resolution authored by myself and Senator BREAUX. That bipartisan plan would have put us on a constructive, achievable path to a balanced budget.

At the end of the day, I think the Chafee-Breaux plan would have been acceptable to President Clinton. Unfortunately, the same cannot be said for the budget resolution which was ultimately approved by the Congress. Instead, this is like deja vu all over again. We will go through the motions, as we did last year, of sending the President much needed deficit reduction legislation he is all but certain to veto.

Frankly, our time could have been better spend working on a bipartisan basis to develop a consensus package which could have become law, and actually helped to reduce the deficit. In my opinion, we can only enact meaningful entitlement reforms—which are the root cause of our deficit problem—through bipartisan cooperation. That was what the Chafee-Breaux alternative was all about.

Given the critical need to get this intolerable Federal deficit under control, I find the present situation frustrating and disappointing.

On a related matter, I want to commend our Republican leaders for their decision not to include cuts in this Medicaid-welfare package. To do so would have been counterproductive. I would prefer to see us concentrate our firepower on deficit reduction before we start cutting taxes.

With respect to the Finance Committee's action yesterday, I want to offer several observations. Though I voted to report S. 1795, it is widely acknowledged that this legislation is headed for a Presidential veto.

However, I want to commend our distinguished chairman, BILL ROTH, for accommodating a number of the improvements I recommended with respect to the Medicaid and welfare sections of the legislations.

On Medicaid, the initial version of S. 1795 would have allowed States to cut off children 13 or older—a significant departure from current law. Under current law States must cover children at or below 100 percent of poverty through the age of twelve, with an additional year's coverage added each year until such children reach the age of 19. At my urging the chairman agreed to maintain current law in this area.

I was also pleased the chairman retained current law coverage of benefits for children under the early periodic screening, diagnosis, and treatment requirements. This will assure that severely disabled children continue to get medically necessary treatment.

Another concern of mine which the chairman addressed was the lack of health and quality standards for individuals with developmental disabilities who reside in intermediate care facilities for the mentally retarded [ICF's/MR], as well as those who reside in community-based settings. The chairman agreed to include standards in his proposal to ensure the safety and quality of care provided to these individuals.

My biggest remaining concern in the Medicaid area is that S. 1795 does not guarantee coverage for individuals with disabilities under the age of 65, as defined under current law. Under this bill, States would have the option of setting their own standards, which I fear would result in the loss of basic health care services for this vulnerable population. I intend to offer an amendment to correct this deficiency when S. 1795 comes before the Senate.

With respect to the welfare provisions, I was pleased several of my proposed improvements were incorporated into the revised version of S. 1795 which the chairman brought before the committee.

I have long been a proponent of a strong Federal-State partnership with respect to welfare. For this reason, I pressed to have the maintenance of effort requirement in S. 1795 strengthened from 75 to 80 percent, and to prevent States from counting expenditures they make which are not directly related to supporting poor families and their children. The States must maintain their investment in these programs if we are to achieve genuine welfare reform.

On a related matter, I proposed, and the chairman accepted, a provision to ensure that the block grant funds are used only to meet the objectives of this legislation, and not for general social services.

Last, I was very pleased that the chairman agreed with my request to retain current law with regard to child welfare and foster care, and to drop his proposal to block grant these programs. These are not welfare programs, and have no place in welfare reform.

With respect to the issue of abortion services, I was disappointed the committee rejected my amendment to continue current law, which requires States to cover abortions for poor pregnant women in cases of rape, incest, or where the life of the mother is at stake.

S. 1795 would leave this decision to the States. Regrettably, this means, for example, that a poor 13-year-old girl who is pregnant as a result of being raped by her father, may not be able to obtain an abortion. I intend to pursue this matter further when S. 1795 comes before the Senate.

I remain deeply troubled about the immigrant provisions of the committee-reported bill. The restrictions on benefits for legal immigrants in this measure are harsher than those that were included in the welfare reform bill overwhelmingly approved this past September by the Senate.

It had been my intention to offer an amendment in committee to soften the impact of these proposed restrictions. However, once it became clear that no extra funds were available to defray the cost of my amendment, I was unable to proceed. I remain hopeful that we can work to modify these very tough restrictions as the process moves forward.

In closing, while I continue to have significant concerns about this legislation, I am pleased that Chairman ROTH

was receptive to addressing a number of my concerns in the revised version of S. 1795 he brought before the committee.

I am very hopeful that these improvements will be retained, and that additional improvements can be made on the Senate floor and in conference.●

EXECUTIVE SESSION

TREATIES

Mr. McCAIN. I ask unanimous consent the Senate proceed to executive session to consider the following treaties on today's executive calendar, No. 13 through No. 22.

Thereupon, the Senate proceeded to consider the following treaties:

Treaty Document No. 103–35, treaty Between the United States of America and Jamaica Concerning the Reciprocal Encouragement and Protection of Investment, with Annex and Protocol;

Treaty Document No. 103–36, 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;

Treaty Document No. 103–37, treaty Between the United States of America and Ukraine Concerning the Encouragement and Reciprocal Protection of Investment, with Annex, and Related Exchange of Letters;

Treaty Document No. 103–38 treaty Between and 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;

Treaty Document No. 104–10, treaty Between the United States of America and Mongolia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol;

Treaty Document No. 104–12, 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;

Treaty Document No. 104–13, 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;

Treaty Document No. 104–14, 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 and Protocol;

Treaty Document No. 104–19, 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; and

Treaty Document No. 104–24, Agreement for the Implementation of the United Nations Convention of the Law of the Sea of 10 December 1982 Relating to Fish Stocks.

STATEMENT ON THE AGREEMENT FOR THE IMPLEMENTATION OF THE UNITED NATIONS CONVENTION ON THE LAW OF THE SEA OF 10 DECEMBER 1982 RELATING TO FISH STOCKS

Mr. PELL. Madam President, I am very pleased that the Senate is proceeding to consider Treaty Document 104–24, commonly known as the Straddling Fish Stocks Agreement. I strongly urge my colleagues to support Senate advice and consent to ratification.

The need for this Agreement—and indeed other appropriate measures to protect fisheries—has become increasingly evident in the past years. World fish production, both marine and aquaculture, peaked in 1989 at roughly 100 million tons. Since then, marine catches have declined significantly due to over-exploitation. By 1992, the world marine catch had declined to 86 million tons and by 1994 to 72.3 million tons. The Food and Agriculture Organization estimates that 70 percent of the world's marine fish stocks are fully to heavily exploited, over-exploited, depleted, or slowly recovering.

Against this backdrop, the Straddling Stocks Agreement will significantly advance U.S. interests. In effect, it confirms the U.S. approach to fisheries management and reflects the acceptance by other nations of that approach. The agreement does not require any changes to U.S. fishery laws or institutions. The Magnuson Fishery Conservation and Management Act as well as other acts, provide the necessary legislative authority for the United States to carry out its obligations under the agreement.

It is very important to note that the Straddling Stocks Agreement is tightly linked, both legally and practically, to the U.N. Convention on the Law of the Sea, which has for nearly 2 years been pending before the Foreign Relations Committee. The United States ability to pursue its objectives under the agreement will be maximized only if we in the Senate move ahead to grant advice and consent to ratification of the Law of the Sea Convention.

Over the past 2 years I have repeatedly addressed the Senate to highlight the ways in which the Law of the Sea Convention has been improved, and now meets our fisheries interests, our national security interests, and our economic interests. I hope that all my colleagues who have shown such an interest in the Straddling Stocks Agreement will join me in my efforts to see the convention ratified promptly.

Mr. McCAIN. I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification, that all committee provisos, reservations, understandings, et cetera, be considered agreed to; that any statements be printed in the CONGRESSIONAL RECORD as if read; and that the Senate take one vote on the resolutions of ratification to be considered as separate votes;

Further, that when the resolutions of ratifications are voted upon, the motion to reconsider be laid upon the table, that the President be notified of the Senate's action, that following disposition of the treaties the Senate return to legislative session.

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

Mr. McCAIN. I ask for a division vote on the resolutions of ratification.

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

All those in favor of ratification please stand and be counted. (After a pause.) All those opposed to ratification be stand and be counted.

On a division, two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

RESOLUTIONS OF RATIFICATION

TREATY BETWEEN THE UNITED STATES OF AMERICA AND JAMAICA CONCERNING THE RECIPROCAL ENCOURAGEMENT AND PROTECTION OF INVESTMENT, WITH ANNEX AND PROTOCOL

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 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

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 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 BETWEEN THE UNITED STATES OF AMERICA AND UKRAINE CONCERNING THE ENCOURAGEMENT AND RECIPROCAL PROTECTION OF INVESTMENT, WITH ANNEX, AND RELATED EXCHANGE OF LETTERS

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 BETWEEN AND 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

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).

THE TREATY BETWEEN AND THE UNITED STATES OF AMERICA AND MONGOLIA CONCERNING THE ENCOURAGEMENT AND RECIPROCAL PROTECTION OF INVESTMENT, WITH ANNEX AND PROTOCOL

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).

THE TREATY BETWEEN AND 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

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 Lativia Concerning the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 13, 1995 (Treaty Doc. 104–12).

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

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).

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 AND PROTOCOL

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 and Protocol, signed at Washington on September 26, 1994 (Treaty Doc. 104–14).

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

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).

AGREEMENT FOR THE IMPLEMENTATION OF THE UNITED NATIONS CONVENTION OF THE LAW OF THE SEA OF 10 DECEMBER 1982 RELATING TO FISH STOCKS

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of 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 (''The Agreement''), which was adopted at United Nations Headquarters in New York by Consensus of the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks on August 4, 1995, and signed by the United States on December 4, 1995 (Treaty Doc. 104–24), subject to the following declaration:

It is the Sense of the Senate that ''no reservations'' provisions as contained in Article 42 have the effect of inhibiting the Senate from exercising its constitutional duty to give advice and consent to a treaty, and the Senate's approval of this treaty should not be construed as a precedent for acquiescence to future treaties containing such a provision.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

AMENDING THE FOREIGN ASSISTANCE ACT OF 1961

Mr. McCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 467, H.R. 3121.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3121) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. McCAIN. I ask unanimous consent the committee amendments be agreed to, the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 3121) was deemed read three times and passed.

CONDEMNING TERROR ATTACKS IN SAUDI ARABIA

Mr. McCAIN. I ask unanimous consent the Senate proceed to the immediate consideration of a Senate resolution submitted earlier today by Senators HELMS and PELL.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 273) condemning terror attacks in Saudi Arabia.

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. DASCHLE. Madam President, two days ago a truck bomb exploded near a U.S. military housing complex outside of Dhahran, Saudi Arabia. Nineteen Americans were killed and 64 were seriously injured in a devastating blast that left a crater some 35 feet deep and over 80 feet across.

I want to express my deepest sympathies to those who lost loved ones in the attack and my best wishes for a quick and complete recovery to those who were injured. I know I speak for the entire Senate when I say that all of you are in our thoughts and prayers.

The truck bombing in Dhahran underscores the fact that U.S. servicemembers often perform their missions at great personal risk. Like those U.S. servicemembers who lost their lives in the Persian Gulf war and the 241 Marines who were killed in a suicide bombing in Lebanon in 1983, the members of the Air Force's 4404th Air Wing sacrificed their lives to protect our vital national interests. We should pause for a moment to reflect on the commitment, dedication, and sacrifice of all the men and women who have served—and those who continue to serve—in our nation's military.

The Air Force's 4404th Air Wing has done a remarkable job in keeping Iraq in check and enforcing the no-fly zone over Southern Iraq. Air Force personnel—in conjunction with United States Army troops and military personnel from Britain, France and Saudi Arabia —have played an important role in preventing war from returning to the Persian Gulf.

Unfortunately, some terrorists object to our presence in Saudi Arabia and our commitment to protect vital United States interests in the Persian Gulf. In November of last year, a car bomb destroyed a building in Riyadh, killing five Americans and two Indians. Those responsible for that earlier bombing were apprehended and recently punished.

As the intense investigation continues into the truck bombing, we may learn that the terrorist attack in Dhahran occurred in retaliation for those executions and continued United States presence in Saudi Arabia. The identities of the terrorists are still unknown, and the motives for the attack are still unclear. It is certain, however, that the attack will not deter the United States from maintaining our alliance with Saudi Arabia, our commitment to contain Iraq's aggression, or our effort to preserve the peace in this troubled region.

It should be equally clear that those who carried out the attack in Dhahran must be arrested, charged and punished

for their cowardly act. We simply cannot and will not allow terrorism against Americans to go unchecked. Whether it occurs in Oklahoma City or Dhahran, terrorist acts against U.S. citizens will not be tolerated. As President Clinton said, ''America takes care of our own. Those who did it must not go unpunished.''

President Clinton has rightfully dispatched more than 40 FBI agents and a number of U.S. intelligence officials to help the Saudi government investigate the matter. In addition, the fight against terrorism is the President's top priority at the G–7 summit in Lyon, France.

Moreover, Secretary of State Warren Christopher recently arrived in Dhahran to visit the bomb site and U.S. servicemembers stationed in Saudi Arabia.

Madam President, the distinguished Majority Leader, Senator HELMS, Senator PELL and I have submitted a resolution condemning the terrorist attack in Saudi Arabia. It expresses heartfelt condolences to the families and loved ones of those who were killed or wounded in Dhahran. In addition, it expresses the Sense of the Senate that the United States Government should devote all resources necessary to apprehend and punish those responsible for the despicable bombing in Saudi Arabia. It also states that this terrorist act will not affect U.S. determination to protect our vital national security interests in the Persian Gulf.

This resolution is supported by the administration and the distinguished Majority Leader, as well as the Chairman and the ranking member of the Foreign Relations Committee. The Senate should show its unanimous support for it.

Mr. MOYNIHAN. Mr. President, I rise this evening in strong support of the resolution submitted by my distinguished colleagues, the chairman and the ranking member of the Foreign Relations Committee, Senators HELMS and PELL. It is most appropriate that the United States Senate adopt a resolution expressing our outrage at the recent terrorist bombing in Saudi Arabia.

I note, sir, that among the 19 Americans slain in the attack was Air Force Capt. Christopher J. Adams of Massapequa Park, NY. I know that all Senators join me in offering solace to his family, and to the families of the other victims.

The United States and the community of civilized nations must never relax our efforts to bring the perpetrators of this cowardly act to justice. Our commitment to the rule of law requires no less.

I thank the Chair and I ask that I be included as a cosponsor of the resolution.

Mr. McCAIN. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at this point in the RECORD.

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

The resolution (S. Res. 273) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 273

Whereas on June 25, 1996, a massive truck bomb exploded at the King Abdul Aziz Air Base near Dhahran, in the Kingdom of Saudi Arabia;

Whereas this horrific attack killed at least nineteen Americans and injured at least three hundred more;

Whereas the bombing also resulted in 147 Saudi casualties;

Whereas the apparent target of the attack was an apartment building housing United States service personnel;

Whereas on November 13, 1995, a terror attack in Saudi Arabia, also directed against U.S. personnel, killed five Americans, and two others;

Whereas individuals with ties to Islamic extremist organizations were tried, found guilty and executed for having participated in the November 13 attack;

Whereas United States Armed Forces personnel are deployed in Saudi Arabia to protect the peace and freedom secured in Operations Desert Shield and Desert Storm;

Whereas the relationship between the United States and the Kingdom of Saudi Arabia has been built with bipartisan support and has served the interest of both countries over the last five decades and;

Whereas this terrorist outrage underscores the need for a strong and ready military able to defend American interests.

Resolved, That the Senate—

(1) condemns in the strongest terms the attacks of June 25, 1996, and November 13, 1995 in Saudi Arabia;

(2) extends condolences and sympathy to the families of all those United States service personnel killed and wounded, and to the Government and people of the Kingdom of Saudi Arabia;

(3) honors the United States military personnel killed and wounded for their sacrifice in service to the nation;

(4) expresses its gratitude to the Government and the people of the Kingdom of Saudi Arabia for their heroic rescue efforts at the scene of the attack and their determination to find and punish those responsible for this outrage;

(5) reaffirms its steadfast support for the Government of the Kingdom of Saudi Arabia and for continuing good relations between the United States and Saudi Arabia;

(6) determines that such terror attacks present a clear threat to United States interests in the Persian Gulf;

(7) calls upon the United States Government to continue to assist the Government of Saudi Arabia in its efforts to identify those responsible for this contemptible attack;

(8) urges the United States Government to use all reasonable means available to the Government of the United States to punish the parties responsible for this cowardly bombing and;

(9) reaffirms its commitment to provide all necessary support for the men and women of our Armed Forces who volunteer to stand in harm's way.

NORTH PLATTE NATIONAL WILDLIFE REFUGE

Mr. McCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 461, H.R. 2679.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2679) to revise the boundary of the North Platte National Wildlife Refuge.

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. 4385

(Purpose: To provide a complete substitute)

Mr. McCAIN. Madam President, I understand there is a substitute amendment at the desk offered by Senator CHAFEE, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], for Mr. CHAFEE, proposes an amendment numbered 4385.

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

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

The amendment is as follows:

Strike all after the enacting clause and insert the following:

TITLE I—NORTH PLATTE NATIONAL WILDLIFE REFUGE

SEC. 101. REVISION OF BOUNDARY OF NORTH PLATTE NATIONAL WILDLIFE REFUGE.

(a) TERMINATION OF JURISDICTION.—The secondary jurisdiction of the United States Fish and Wildlife Service over approximately 2,470 acres of land at the North Platte National Wildlife Refuge in the State of Nebraska, as depicted on a map entitled ''Relinquishment of North Platte National Wildlife Refuge Secondary Jurisdiction'', dated August 1995, and available for inspection at appropriate offices of the United States Fish and Wildlife Service, is terminated.

(b) REVOCATION OF EXECUTIVE ORDER.—Executive Order Number 2446, dated August 21, 1916, is revoked with respect to the land described in subsection (a).

TITLE II—PETTAQUAMSCUTT COVE NATIONAL WILDLIFE REFUGE

SEC. 201. EXPANSION OF PETTAQUAMSCUTT COVE NATIONAL WILDLIFE REFUGE.

Section 204 of Public Law 100–610 (16 U.S.C. 668dd note) is amended by adding at the end the following:

''(e) EXPANSION OF REFUGE.—

''(1) ACQUISITION.—The Secretary may acquire for addition to the refuge the area in Rhode Island known as 'Foddering Farm Acres', consisting of approximately 100 acres, adjacent to Long Cove and bordering on Foddering Farm Road to the south and Point Judith Road to the east, as depicted on a map entitled 'Pettaquamscutt Cove NWR Expansion Area', dated May 13, 1996, and available for inspection in appropriate offices of the United States Fish and Wildlife Service.

''(2) BOUNDARY REVISION.—The boundaries of the refuge are revised to include the area described in paragraph (1).

''(f) FUTURE EXPANSION.—

''(1) IN GENERAL.—The Secretary may acquire for addition to the refuge such lands, waters, and interests in land and water as the Secretary considers appropriate and

shall adjust the boundaries of the refuge accordingly.

''(2) APPLICABLE LAWS.—Any acquisition described in paragraph (1) shall be carried out in accordance with all applicable laws.''.

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206(a) of Public Law 100–610 (16 U.S.C. 668dd note) is amended by striking ''designated in section 4(a)(1)'' and inserting ''designated or identified under section 204''.

SEC. 203. TECHNICAL AMENDMENTS.

Public Law 100–610 (16 U.S.C. 668dd note) is amended—

(1) in section 201(1)—

(A) by striking ''and the associated'' and inserting ''including the associated''; and

(B) by striking ''and dividing'' and inserting ''dividing'';

(2) in section 203, by striking ''of this Act'' and inserting ''of this title'';

(3) in section 204—

(A) in subsection (a)(1), by striking ''of this Act'' and inserting ''of this title''; and

(B) in subsection (b), by striking ''purpose of this Act'' and inserting ''purposes of this title'';

(4) in the second sentence of section 205, by striking ''of this Act'' and inserting ''of this title''; and

(5) in section 207, by striking ''Act'' and inserting ''title''.

Amend the title so as to read: ''An Act to revise the boundary of the North Platte National Wildlife Refuge, to expand the Pettaquamscutt Cove National Wildlife Refuge, and for other purposes.''.

Mr. CHAFEE. Madam President, I would like to take a few moments to express my delight on consideration of legislation to expand the Pettaquamscutt Cove National Wildlife Refuge in Rhode Island.

The Pettaquamscutt Cove National Wildlife Refuge was established in 1988 to protect valuable coastal wetlands that have been identified as important habitat for a diversity of species—including the declining black duck population. The refuge is located between the towns of Narragansett and South Kingstown, RI. Currently, its boundary encompasses 460 acres of salt marsh and surrounding forest habitat which is home to various species of waterfowl, wading birds, and shore birds and numerous small mammals, reptiles, and amphibians.

This legislation expands the Pettaquamscutt Cove National Wildlife Refuge boundary to include a 100-acre parcel known as Foddering Farms Acres. It also allows the U.S. Fish and Wildlife Service to expand the refuge boundary to include other important habitat if and when suitable properties become available in the future.

Inclusion of the Foddering Farm Acres property within the refuge provides a wonderful example of cooperation between the U.S. Fish and Wildlife Service and private citizens. The 100-acre Foddering Farm property, owned by the Rotelli family, contains valuable wetland habitat for waterfowl and other species. The Rotellis have indicated their willingness to donate a portion of the value of the property to the Service. In fact, they have been working with, and waiting patiently for, the U.S. Fish and Wildlife Service for several years. Through their partial donation, the National Wildlife Refuge System gains valuable habitat at a bargain price.

In order to assist the Rotellis and ward off threats of development to Foddering Farm Acres, it is imperative that we move this bill as expeditiously as possible. To that end, I am offering S. 1871, the Pettaquamscutt Cove National Wildlife Refuge legislation, as an amendment to H.R. 2679, the North Wildlife Refuge bill that was passed by the House of Representatives on April 23, 1996, and reported out of the Senate Environment and Public Works Committee on June 20, 1996. I would like to make clear that the attached Pettaquamscutt Cove provision is exactly the same as S. 1871, as amended, a bill that was reported out of the Senate Environment and Public Works Committee on June 20, 1996.

Once again, I am pleased that the Senate is considering the Pettaquamscutt Cove National Wildlife Refuge legislation. This bill will enable the U.S. Fish and Wildlife Service to continue their efforts to work with Rhode Island Islanders like the Rotellis to protect the beautiful and important natural resources along Rhode Island's coast.

Mr. McCAIN. Madam President, I ask unanimous consent that the amendment be agreed to.

The amendment (No. 4385) was agreed to.

Mr. McCAIN. Madam President, I ask unanimous consent that the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 2679), as amended, was deemed read the third time and passed.

SECURITIES INVESTMENT PROMOTION ACT OF 1996

Mr. McCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3005, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3005) to amend the Federal securities laws in order to promote efficiency and capital formation in 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.

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. D'AMATO. Madam President, in the spirit of how quickly we have been able to proceed to the floor consideration of S. 1815, the Securities Investment Promotion Act of 1996, I will keep my remarks brief and to the point.

S. 1815 is a balanced, bipartisan bill that will benefit the market and the investors in the market—American consumers. S. 1815 will make it easier to raise capital in the securities market. It will simplify and streamline many areas of the securities laws that haven't been updated in years. S. 1815 will tighten up regulation by giving the States and the Securities and Exchange Commission distinctly separate regulatory roles.

I thank my colleagues for their hard work and diligence on working to move this bill expeditiously through the Senate. I especially thank the chairman and ranking member of the Securities Subcommittee, Senators GRAMM and DODD as well as Senators BRYAN and MOSELEY-BRAUN. This bill is truly a bipartisan effort. They have shown outstanding leadership and dedication to this process. Senators GRAMM and DODD, along with Senator SARBANES, also have been indispensable to improving the bill during consideration by the Banking Committee.

The year 1815 is memorable for the battle at Waterloo—but the bill S. 1815 will be memorable as the watershed in improving our capital markets. The U.S. securities market is the pre-eminent market in the world. It has the most capital and the most investors.

Over 160 million Americans own stocks. Last year, the U.S. stock market had $7.98 trillion in capital—close to half the amount of capital in the entire world market.

The legislation will make it easier to raise capital in the securities market. The bill will create a new category of unregistered private investment companies that will help venture capitalists fulfill their critical role of providing capital markets to fund new, start-up companies. S. 1815 will make it easier for companies that invest in small business to raise money—encouraging more capital flow to small business.

S. 1815 recognizes that mutual funds have become a household commodity in the last several years, turning the mutual fund market into a national market. In fact, almost one-third of U.S. households, about 30 million households, own more than $3 trillion in mutual funds. Everyone seems to agree that it no longer makes sense for all 50 States to have a say in what goes into a mutual fund prospectus.

S. 1815 will eliminate the States' role in reviewing mutual fund prospectuses, but the States will continue to play a critical role in policing fraud and illegal conduct. S. 1815 will also make sure investors and consumers are not confused about what's in a mutual fund by giving the SEC authority to set standards on mutual fund names.

The legislation dusts the cobwebs off laws that now have only antique value. S. 1815 will make the securities laws reflect the reality of today's marketplace. It will simplify procedures for paying fees and making disclosures. It

will give the SEC flexibility to adapt to the changing financial market by letting the SEC say the securities laws don't apply where they don't make sense.

S. 1815 will tighten up regulation by giving the States and the SEC distinctly separate regulatory roles. It will divide between the SEC and the States regulation of the 22,500 registered investment advisers who are entrusted with over $10 trillion in customer funds, much of which represents savings and retirement money. As a result, investment advisers will be better regulated and consumers and investors better protected.

The Securities Investment Promotion Act of 1996 is a significant piece of legislation that will ensure that the U.S. securities market remains the preeminent securities market in the world. It is not a controversial bill, it enjoys support on both sides of the aisle.

I commend my colleagues and their staff for their excellent work in drafting this legislation, particularly the Banking Committee staff and Securities and Exchange Commission Chairman Levitt and his staff.

The Securities Investment Promotion Act of 1996 is a significant piece of legislation that should be enacted this Congress.

Madam President, once again, I thank my colleagues for their continued bipartisan support and cooperation.

Mr. SARBANES. Madam President, I am glad that the Senate today will complete action on S. 1815, the Securities Investment Promotion Act of 1996. This is a reasonable bill, and appropriately so, for the Federal and State laws governing our securities markets and the participants in those markets are not in need of wholesale changes. All the evidence suggest that the U.S. securities markets are functioning well. Companies continue to raise capital in the U.S. markets in record amounts. In addition to established businesses, new companies have been raising capital in record amounts. Individual investor confidence in the securities markets, measured by direct investment in securities and investment through mutual funds and pension plans, remains high. The U.S. securities markets retain their preeminent position in the world.

Still, where improvements to the securities laws are in order they should be made. This bill has two major themes: First, improvement of mutual fund regulation, and second, reallocation of responsibility between Federal and State securities regulators. It is appropriate to review the regulation of mutual funds, given the tremendous growth in this segment of the financial services industry. Mutual fund assets now equal insured bank deposits in size. The legislation contains a number of provisions supported by the SEC that are intended to allow mutual funds to operate more flexibly.

With respect to the role of the States in securities regulation, let me say that the current system of dual regulation does not appear to place an undue burden on our securities markets. Not only are our markets a vibrant source of capital for established businesses and new businesses alike, foreign businesses also consider our markets attractive places to raise capital. State securities regulators play a crucial role in policing our markets. Still, dual regulation need not mean duplicative regulation. The State regulators themselves have convened a task force to recommend how securities regulation can be made more efficient and effective by dividing authority between the Federal and State level. I hope we will have the benefit of their thoughtful work before we complete action on this legislation.

I am pleased that the managers amendment offered by Senator D'AMATO at committee markup made some important improvements to the bill. In the mutual fund area, the managers amendment added two provisions that were recommended by the Securities and Exchange Commission. These allow the SEC to require mutual funds to provide shareholders with more current information, and to maintain additional records that will be available to the SEC. Given the importance that mutual funds now have as an investment vehicle for millions of American households, it is crucial that information be available for mutual fund shareholders, and these provisions address that need. The managers amendment also clarified the SEC's authority with respect to preemption of State laws regarding registration of securities. The SEC may preempt State laws only with respect to securities traded on the New York Stock Exchange, the American Stock Exchange, the NASDAQ, or other exchanges with substantially similar listing standards. The provision in the bill as introduced could have preempted State law for all exchange-traded securities, regardless of size or reputability.

As modified by the managers amendment, the provisions in this bill strike a reasonable balance. They received unanimous support from the Senate Banking Committee. I would note that in some respects, particularly in the area of preemption of State law, the House bill goes further. We will have to craft a final product very carefully, so that any bill Congress might send to the President does not go too far in limiting the authority of the State regulators, thereby exposing investors to sharp practices.

Mr. DODD. Madam President, I rise to join my colleagues in supporting the passage of S. 1815, the Securities Investment Promotion Act of 1996. Let me first offer my congratulations to Senators GRAMM, BRYAN, and MOSELEY-BRAUN, all of whom worked very hard with me in drafting this balanced, thoughtful, and bipartisan bill. I particularly would like to acknowledge the efforts of Senator D'AMATO, the chairman of the Banking Committee, who not only was deeply involved in drafting this bill, but who also did his utmost to move the bill quickly and smoothly through the legislative process so that we were able to come to the floor today.

The U.S. capital markets are vitally important for the good economic health not only of virtually every American company but for millions and millions of individual investors who have placed some of their assets either directly in securities or, as has become more and more common, into mutual funds.

We must recognize that sustained economic growth is heavily dependent upon the continuing ability of our capital markets and financial services industry to function efficiently and with integrity. If companies find impediments to obtaining capital, they will not grow. If individuals find impediments to their access to securities and other investments, they will not save.

Taking steps to enhance the access of both corporations and individuals to the securities markets is prudent means by which Congress can help sustain or even increase the Nation's rate of economic growth.

Furthermore, the American capital markets are the envy of the world. No other nation enjoys the international reputation of our capital markets and it is necessary for Congress periodically to review and modernize, where necessary, the laws that make our markets and our financial services industry the world's leader.

The legislation under consideration today is the culmination of a lengthy bipartisan effort to reform those aspects of the securities laws that are an outdated impediment to the efficient functioning of the securities industry.

The bill will also provide clearer statutory directives to both State and Federal regulators so that the integrity of, and confidence in, our capital markets and financial services industry is enhanced.

Without going into excruciating detail, let me just highlight the main areas that this legislation covers: It improves the regulation of investment advisors by clarifying the proper roles of the SEC and the State regulators; it modernizes and streamlines the regulation of mutual funds on the one hand, and provides badly needed modernization of the statutes covering hedge funds and venture capital funds on the other hand; it provides for clarification on a host of technical matters ranging from treatment of church pension plans to the access by U.S. journalists to foreign issuer press conferences. And, significantly, the bill creates the mechanisms for increased regulatory flexibility so that the SEC will have the ability to keep pace with needed regulatory changes as the needs and demands both of investors and the financial industry develop over time.

Madam President, the hearing held on this legislation on June 5 amply

demonstrated that the bill will have a salutary effect upon our financial markets. Not only will the legislation remove anomalous and antiquated regulations that impeded the efficient functioning of the markets, but the legislation will clearly improve the ability of investors, both institutions and individuals, to invest and save their hard-earned dollars.

I believe that the legislation, through our qualified purchaser provisions as well as the business-development company sections, will not only provide an immediate benefit to the ability of small businesses to access needed capital, but that these provisions will also provide a future benefit in the event of another credit crunch similar to the one we saw in 1992 and early 1993.

At the committee markup, we adopted a manager's amendment that will make good improvements to the bill and I would like to take note of a few particularly important provisions.

I am pleased that the Banking Committee included new authority for the SEC to require that mutual funds make updated disclosures and that they maintain certain kinds of books and records beyond the minimal amount currently required by law.

I commend my colleague, the ranking member of the Banking Committee, Senator SARBANES, for advocating the inclusion of these provisions and I am very glad that the committee wholeheartedly supported these commonsense and nonburdensome investor protections.

I am also pleased that the Banking Committee will require the commission to study the impact of recent judicial and regulatory rulings that have limited the ability of shareholders to offer proposals at shareholder meetings regarding a company's employment practices. The ability of shareholders to offer such kinds of resolutions such as the ''Sullivan principles'' for South Africa and the ''MacBride principles'' for Northern Ireland have had a direct impact on ensuring that United States corporations do not participate in the loathsome discriminatory practices that occurred, or still occur, in those nations. I look forward to the results of the commission's study in a year's time.

In all, this is a carefully balanced bill that improves our Nation's securities laws to allow the markets to function more efficiently, but balances those reforms by maintaining, and in some cases enhancing, the full strength of investor protections that have made our markets the best in the world.

I urge my colleagues to support passage of this important legislation.

Mr. BRYAN. Madam President, I am pleased to support S. 1815, the Securities Investment Promotion Act of 1996. Let me begin by recognizing those who worked diligently to reach bipartisan agreement so that this bill could be considered on an expedited basis. Deserving of particular credit here are Senators GRAMM and D'AMATO and their staffs. I greatly appreciated the opportunity to work with them and with Senators DODD and SARBANES on this important piece of legislation.

When I signed on as an original cosponsor of S. 1815, I said that I believe our capital formation process is fundamentally sound. America's capital markets are the fairest, the most successful, and the most liquid the world has ever known. By virtually every statistical measure, the investment market is vibrant and healthy.

Today, tens of millions of Americans rely on this Nation's financial markets to save for retirement, fund their children's college education, and to receive a rate of return on savings that exceeds the rate of inflation. Now more than ever, the people of America are investing in America. Just one example tells the story: For the first time in history, mutual fund assets exceed the deposits of the commercial banking system. This massive movement into our securities markets promises new and exciting opportunities for investors—and for American businesses.

This Nation's securities laws and regulations are designed first and foremost to protect investors and to maintain the integrity of the marketplace, thereby promoting trust and confidence in our system of capital formation. We should strive for a securities regulatory system that is tough, but one that also is fair, efficient and up-to-date. On balance, I believe that S. 1815 does a good job of eliminating or modernizing laws and regulations that either are duplicative or outdated—without sacrificing investor protection. In general, the legislation strikes the proper balance between promoting efficiency and growth while ensuring integrity and fairness.

One of the key objectives of this bill is to carefully reallocate key aspects of Federal and State securities laws so that we eliminate any duplication, thereby ensuring that our relatively modest regulatory resources are properly focused. Today, both the Securities and Exchange Commission [SEC] and the 50 State securities regulators share the responsibility for overseeing our capital markets. By and large, this system of shared regulatory responsibility has worked well, with the SEC taking responsibility for marketwide issues, while the States focus their attention on the issues most affecting individual investors and small businesses.

I believe that there is room for improved coordination and a more clearly defined allocation of responsibility between the States and the SEC. I support the goal of eliminating duplicative and overlapping regulations that do not provide any additional protections to investors or to the markets but that do serve to increase the costs of raising capital. For these reasons, I support those provisions of the bill that will serve to draw brighter lines of responsibility between the States and the SEC, and that will streamline the securities offering process for American businesses.

When this legislation was introduced, I said that it was critically important that this legislation preserve a strong State role in policing sales practices and in bringing enforcement actions. At the same time, I said that the bill must not undermine the ability of defrauded investors to recover their losses in court under state laws. I am gratified that the bill and the committee report that accompanies it explicitly provide that State securities regulators continue to have available to them the full arsenal of powers needed to investigate and to enforce laws against fraud and to retain their ability to protect the small investors of this country. Similarly, the bill and committee report also make it absolutely clear that nothing in this legislation alters or affects in any way any State statutory or common laws against fraud or deceit, including private actions brought pursuant to such laws.

S. 1815 recognizes the fundamentally national character of the mutual fund industry by assigning exclusive responsibility for the routine review of mutual fund offering documents and related materials to the SEC and NASD. The legislation also encourages further innovation in the mutual fund industry by means of advertising prospectuses and funds of funds. I am pleased that my earlier concerns with the respect to reporting and recordkeeping requirements were addressed in the manager's amendment approved by the Banking Committee.

Finally, I want to say a word about title I, in which we seek to rationalize the regulatory scheme for investment advisers. There is abundant evidence that the current system of investment adviser regulation is woefully inadequate, both in terms of the resources we devote to the effort and the laws that govern the industry. While I applaud the objectives of title I of S. 1815, it is my hope that Congress does not end its consideration of this issue here.

I would agree that establishing the proper lines of regulatory jurisdiction is a necessary first step. Today, both the SEC and the State securities regulators oversee registered investment advisers. But, there are no clearly established lines of jurisdiction. As a result, both the States and the Federal Government essentially have responsibility for the entire population of investment advisers. However, neither the States nor the Commission have the resources to shoulder the entire job. What we are left with is a system that is both burdensome and ineffective. Although the regulators have tried to coordinate their activities, this legislation clearly establishes the concept of bright lines of responsibility so that the policing of the industry is both more rational and more effective.

The oversight of investment advisers is an extremely important issue, as

more and more Americans turn to these financial professionals to help guide them through the increasing complexity of our financial markets. Establishing a more rational system for determining jurisdiction is a helpful step. But, it is only a first step. And, while I agree with the objective of establishing clearer lines of responsibility, I am troubled by the very legitimate concerns raised by State and Federal regulators and consumer organizations with respect to the practical application of title I.

The State of Nevada Securities Division has brought to my attention a real life situation that illustrates potential problems with this bill that I hope we can correct in conference. An investment advisor representative who worked for a firm with over $25 million in assets applied for a license in Nevada. The Securities Division discovered he had 14 complaints and numerous disciplinary actions filed against him. He did not get a license to operate in Nevada but, under the provisions of this bill, he would not be required to get one. Nevada regulators would be able to go after a bad actor after he has committed fraud but they would prefer to retain the ability to keep them out in the first place.

One potential fix for this problem would be to require investment advisor representatives who have disciplinary histories to obtain State licenses regardless of the size of the firm. This would protect States' abilities to keep out unscrupulous operators before they have had a chance to prey on unsuspecting consumers.

I understand that time may not permit us to address the many questions that have arisen in the context of title I. Nor do we have the time to comprehensively address all that needs to be done to improve the regulatory system for investment advisers. As a result, I would ask that we commit ourselves when we convene in the 105th Congress to assuring not only that State and Federal regulators have the necessary resources and are effectively implementing them.

PRESERVING STATE REVENUE AUTHORITY

Mr. GRAMM. Madam President, I would like to address a question to the distinguished chairman of the Banking Committee, Mr. D'AMATO. As the chairman is aware, this legislation takes the very important step of providing national rules for national securities markets. In doing so, however, it has been our intent to preserve State authority to collect revenues, either to fund their antifraud efforts or for other State government purposes. In fact, the bill as reported contains explicit language to allow States to continue to collect all fees and revenues related to registration and regulation of securities that they have been collecting, notwithstanding the provisions of the bill that reduce the States' role in registration of nationally traded securities and mutual funds. Does the chairman concur that this has been the intent of the Members both in drafting and approving this legislation?

Mr. D'AMATO. I certainly do. The Senator is correct. That has been the intent of this Senator, and I know it to have been the intent of my colleague, the chairman of the securities Subcommittee, Mr. GRAMM, as well as that of all of the sponsors of the bill and of the members of the Banking Committee. We expressly provided language in the bill to preserve State authority to collect revenues so that there would be no revenue loss at all faced by the States from the enactment of this bill. I do understand that some States have expressed a concern that in spite of the clear language of the bill, some of the provisions of their own State laws may make it difficult in some cases to collect fees. If that is indeed the case, and we have begun discussions to identify the problems precisely, then I see no obstacle to making adjustments in the legislation during our conference with the House of Representatives to ensure that no State loses any revenue authority as a result of enactment of this bill.

Mr. GRAMM. Madam President, I thank the Senator for his response, and I join with him in expressing my willingness and desire to ensure that the language of the final legislation, as it emerges from conference with the House of Representatives, will preserve State revenue authority. I am aware that securities-related fees are an important source of revenue for the Texas State government, and I do not see it as our place here to impair that authority. I further know of no one who disagrees with this intent, so I also see no problem in fully resolving this matter in the final version of the legislation.

Mr. HOLLINGS. Madam President, the securities bill before us, H.R. 3005, makes a number of very important changes in securities regulation, such as regulation of investment advisors and mutual funds. The Senate bill was approved by the Banking Committee on a bipartisan 16 to 0 vote.

I have no problem with the Senate version of this measure. I would support it. However, I have a big problem with the House companion to this bill. It contains provisions that would shift much of the cost of running the Securities and Exchange Commission from firms registering securities to the general taxpayer. I am concerned because of the potential impact on the SEC and, frankly, that this will require the Appropriations Committee to absorb $200 million at the very time that discretionary funding is being cut.

In the present fiscal year, the SEC's budget totals $297.4 million. Of this amount, $194 million is derived from section 6(b) securities registration fees and $103.4 million is appropriated from the general fund. So we have a situation in which about two-thirds of the SEC's operation is financed through fees.

The House bill seeks to change this situation and shift the entire cost of running the SEC to discretionary appropriations. This shift and reduction in fees would occur over a 5-year period. In short, it cuts collections and tells the Appropriations Committee and the general taxpayers to absorb the costs.

Mr. DODD. Would my friend from South Carolina yield?

Mr. HOLLINGS. Of course. The Senator from Connecticut is our authority on securities and financial market matters.

Mr. DODD. I thank my friend. The Senator from South Carolina is essentially correct regarding this funding issue. I would note, however, the current situation is that the SEC collects in total more through fees than the agency's total budget. Of course, a majority of these funds go to the Treasury as general revenues.

Mr. HOLLINGS. Exactly. These fees go to Treasury. They do not do anything to support the SEC. The agency cannot use those receipts. The only fees that the SEC is able to use—to pay personnel to provide for stable markets and to prevent fraud—are those that are collected and deposited in the SEC's appropriation account. It is those that are above the statutory fee level of one-fiftieth of 1-percent. It is exactly these fees that the House bill proposes to terminate.

You know for the past 2 years the SEC has had something of a near-death experience because of problems with its authorization. It wasn't until the last day of the 103d Congress that the other side removed their holds on a bill that enabled the agency to continue functioning. And, just last summer, over my objections, our fiscal year 1996 Commerce, Justice and State appropriations bill proposed cutting the SEC by 20 percent below a freeze at fiscal year 1995 levels. Here we have a law enforcement agency, and an agency in charge of stopping insider trading and fraud, and the appropriations bill reduced its funding far below the level it needed to continue operations.

Mr. D'AMATO. But, eventually through a floor amendment and conference negotiations, the SEC's budget was brought back up at least to a freeze at fiscal year 1995 levels.

Mr. HOLLINGS. That's right. The Senator from New York was instrumental in helping us restore the SEC budget. It wasn't easy.

I think the distinguished chairman of the Banking Committee knows the situation better than most. We served together on the Appropriations Committee for 14 years.

I think he would be surprised how tight the funding situation has gotten. For fiscal year 1997, the President's budget proposals for the Justice Department alone are up $1.947 billion above the current year. The Federal Judiciary is up $414 million. And, so on. Now, we on the Commerce, Justice and State Subcommittee aren't going to get anywhere near those increases in the section 602(b) allocation process.

We can't fund those programs, let alone State, Commerce, and Small Business, and other independent agencies. Let alone increases for the Securities and Exchange Commission.

So these are the reasons I have held up this bill. I applaud the changes you have made in securities laws, but I must ask, do you intend to maintain the Senate position on this fee issue? I mean will you and the chairman not reduce section 6(b) fees that are collected and retained by the SEC, as part of this legislation?

Mr. DODD. My friend makes many good points. I know the pressures that the Appropriations Committee faces and we are all too familiar with the Government shutdowns that occurred this year.

I would note that our goal on the Banking Committee is to pass a securities reform bill that the President will sign. And, the administration has expressed many of the same concerns that the Senator from South Carolina has raised. In its June 18 Statement of Administration Policy, the White House said it would support the securities reforms but oppose the House proposed changes in financing the SEC. The administration's letter states:

Although the Administration supports provisions in H.R. 3005 that would protect investors and reduce the cost of State and Federal regulation of the markets, the Administration would have serious concerns with the bill if it were amended to include reauthorization provisions which would reduce or eliminate certain securities registration and transaction fees. These fees are currently used to offset almost two thirds of the SEC's appropriation. Eliminating or reducing the fees, in a time of declining discretionary resources, would require the SEC to compete for funding with other worthy programs, including criminal justice programs, immigration initiatives, and research and technology programs. The Administration's continued support for H.R. 3005 is contingent on the retention of these improvements and keeping the bill free of any reauthorization provisions which would reduce or eliminate certain SEC fees.

Senator D'AMATO and I intend for this bill to become law, and I assure the Senator from South Carolina that, absent an agreement among all the appropriators, the administration, and the SEC, we will not agree to the House language that lowers registration fees which are used to run the SEC and offset appropriations. While I believe that there is merit on both sides of this funding issue, I believe that the important and difficult questions of how best to fund the SEC—at which levels and through what means—should be reserved for another forum.

Mr. D'AMATO. I would say to the Senator from South Carolina that there probably isn't another Member of the Senate who understands more the importance of the financial markets to the economy, or the economy of his State. This Senator understands the need to maintain fair and open securities markets. The SEC needs to be funded adequately so it can do its job and ensure its regulation of the market. That is simply in everyone's interest.

The Senator from South Carolina's arguments make good sense. I know he has been a good friend to the SEC and the securities industry. I would have to agree that we should try to work towards a funding position that we can agree on to fund the SEC in a fairer way so that section 6(b) fees pay for the cost of regulation and not general deficit reduction. I am concerned about the general taxpayer, of course, but these fees should not be a tax on capital formation. Last year, the SEC brought in more than $750 million to fund a budget of less than $300 million. That isn't right either.

The bill the Senate is being asked to approve today is deficit neutral. The important reforms proposed in this legislation should be accomplished without adding one penny to the deficit. Similarly, any final agreement reached with the other body regarding this legislation must not contribute to the Federal budget deficit. At a time when there is wide bipartisan agreement on the need to balance the budget, it is critical that this legislation not make this goal more difficult to achieve.

I will do everything I can to keep this conference focused on securities regulation reforms and will continue to work with my colleagues on a long-term solution to the SEC funding problem. Let me note that unless there is bipartisan agreement among the appropriators, the administration, and the SEC, we will separate that issue from the bill and put it aside for another day. We do not intend to jettison all the good things in this bill, and the bipartisan spirit in which it was engendered, over this difficult issue. As a friend from Connecticut notes, we are serious about this bill—we intended to get it enacted into law.

Mr. MCCAIN. Madam President, I ask unanimous consent that all after the enacting clause be stricken and the text of calendar No. 468, S. 1815, be inserted in lieu thereof, the committee amendment be agreed to, the bill be deemed read a third time and passed, as amended; the motion to reconsider be laid upon the table, the Senate insist on its amendment and request a conference with the House, the Chair be authorized to appoint conferees on the part of the Senate and that several statements and colloquies be printed at the appropriate place in the RECORD.

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

The committee amendment was agreed to.

The bill (H.R. 3005), as amended, was deemed read the third time and passed, as follows:

(The text of the bill will be printed in a future edition of the RECORD.)

APPOINTMENT OF CONFEREES

Under the previous order, the Presiding Officer (Mrs. HUTCHISON) appointed Mr. D'AMATO, Mr. GRAMM, Mr. BENNETT, Mr. SARBANES, and Mr. DODD conferees on the part of the Senate.

WILLIAM J. NEALON POST OFFICE

Mr. MCCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 452, H.R. 3364.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (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."

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. MCCAIN. Madam President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 3364) was deemed read the third time and passed.

MARK O. HATFIELD UNITED STATES COURTHOUSE

Mr. MCCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 451, S. 1636.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1636) to designate the United States Courthouse under construction at 1030 Southwest 3rd Avenue, Portland, OR, as the "Mark O. Hatfield United States Courthouse," 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. 4386

(Purpose: To amend the resolution establishing the Franklin Delano Roosevelt Memorial Commission to extend the service of certain members)

Mr. MCCAIN. Madam President, I send an amendment to the desk on behalf of Senator LEVIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] for Mr. LEVIN, proposes an amendment numbered 4386.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . EXTENSION OF FDR MEMORIAL MEMBER TERMS.

The first section of the Act entitled "An Act to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt", approved August 11, 1955 (69

Stat. 694) is amended by adding at the end thereof the following: ''A Commissioner who ceases to be a Member of the Senate or the House of Representatives may, with the approval of the appointing authority, continue to serve as a Commissioner for a period of up to one year after he or she ceases to be a Member of the Senate or the House of Representatives.''.

Mr. MCCAIN. Madam President, I ask unanimous consent that the amendment be agreed to.

The amendment (No. 4386) was agreed to.

Mr. MCCAIN. Madam President, I ask unanimous consent that the bill, as amended, be deemed read a third time, the motion to reconsider be laid on the table; that any statements relating to the bill be put in the RECORD at the appropriate place as if read.

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

The bill (S. 1636), as amended, was deemed read the third time and passed.

(The text of the bill will be printed in a future edition of the RECORD.)

Mr. MCCAIN. I note that this particular bill, I say to my friend from Kentucky, is the designation of the U.S. courthouse in Portland OR as the ''Mark O. HATFIELD United States Courthouse,'' certainly an appropriate and well-deserved honor.

CHARLES A. HAYES POST OFFICE BUILDING

Mr. MCCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 425, H.R. 2704.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2704) to provide that the United States Post Office building that is to be located at 7436 South Exchange Avenue in Chicago, IL, shall be known and designated as the ''Charles A. Hayes Post Office Building.''

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. MCCAIN. Madam President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 2704) was deemed read the third time and passed.

EDWARD MADIGAN POST OFFICE BUILDING

Mr. MCCAIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 423, H.R. 1880.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1880) to designate the U.S. Post Office building located at 102 South McLean, Lincoln, IL, as the ''Edward Madigan Post Office Building.''

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. MCCAIN. Madam President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 1880) was deemed read the third time and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MCCAIN. Madam President, I ask unanimous consent that in executive session the Senate immediately proceed to the consideration of the following Executive Calendar nominations: Nos. 645 through 664, and all nominations placed on the Secretary's desk in the Foreign Service.

I further ask unanimous consent the nominations be confirmed en bloc; the motions to reconsider be laid upon the table en bloc; the President be immediately notified of the Senate's action; that any statements relating to any of the nominations appear at the appropriate place in the RECORD; and that the Senate then immediately return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

John Christian Kornblum, of Michigan, to be an Assistant Secretary of State.

Barbara Mills Larkin, of North Carolina, to be an Assistant Secretary of State.

Thomas C. Hubbard, of Tennessee, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Palau.

Glen Robert Rase, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Wendy Jean Chamberlin, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Lao People's Democratic Republic.

James Francis Creagan, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Lino Gutierrez, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua.

Dennis C. Jett of New Mexico, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru.

Tibor P. Nagy, Jr., of Texas, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Donald J. Planty, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Leslie M. Alexander, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Avis T. Bohlen, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bulgaria.

Marisa R. Lino, of Oregon, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Albania.

John F. Hicks, Sr., of North Carolina, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Eritrea.

Alan R. McKee, of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Arlene Render, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

Harold Walter Geisel, of Illinois, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to serve concurrently and without additional compensations as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Madeleine May Kunin, of Vermont, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

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 Extraordinary and Plenipotentiary.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Gerald S. McGowan, of Virginia, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1998.

IN THE FOREIGN SERVICE

Foreign Service nominations beginning Terence Flannery, and ending George F. Ruffner, which nominations were received by the Senate and appeared in the Congressional Record of May 9, 1996.

Foreign Service nominations beginning Justin Emmett Doyle, and ending Robert T. Yurko, which nominations were received by

the Senate and appeared in the Congressional Record of May 9, 1996.

Foreign Service nominations beginning Donald C. Masters, and ending Kurt N. Theodorakos, which nominations were received by the Senate and appeared in the Congressional Record of June 18, 1996.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

MEASURE INDEFINITELY POSTPONED—SENATE CONCURRENT RESOLUTION 42

Mr. McCAIN. Madam President, I ask unanimous consent that Calendar No. 351 be indefinitely postponed.

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

AUTHORITY FOR COMMITTEES TO REPORT

Mr. McCAIN. Madam President, I ask unanimous consent that during the adjournment of the Senate, Senate committees may file committee-reported Legislative and Executive Calendar business on Tuesday July 2, from 11 a.m. to 2 p.m..

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

Mr. McCAIN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDERS FOR FRIDAY, JUNE 28, 1996

Mr. McCAIN. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 8:30 a.m. on Friday, June 28; further, that immediately following the prayer, the Journal of the 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 the Senate then immediately resume consideration of the defense authorization bill.

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

PROGRAM

Mr. McCAIN. Madam President, for the information of all Senators, under the previous order, there will be a rollcall vote tomorrow morning at 9:30 a.m. on the motion to invoke cloture on the Department of Defense bill.

As announced earlier, Senators are urged to cooperate with the leadership and the managers to enable the Senate to finish action on the defense bill tomorrow.

Another cloture motion was filed this evening and, if necessary, would occur on Saturday.

Senators should expect a busy session tomorrow, with rollcall votes throughout the day.

Mr. FORD. Will the Senator yield?

Mr. McCAIN. I yield the floor.

Mr. FORD. Madam President, I ask unanimous consent that it be added to the request that Senators have until 10 o'clock tomorrow to file second-degrees with respect to the cloture motion tomorrow at 9:30.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. McCAIN. Madam 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 12:06 a.m., adjourned until Friday, June 28, 1996, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 27, 1996:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. AIR FORCE WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 8036:

SURGEON GENERAL OF THE AIR FORCE

To be lieutenant general

MAJ. GEN. CHARLES H. ROADMAN II, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT 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 lieutenant general

MAJ. GEN. ROGER G. DEKOK, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT 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 lieutenant general

MAJ. GEN. PATRICK K. GAMBLE, 000–00–0000

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT 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 lieutenant general

LT. GEN. LESTER L. LYLES, 000–00–0000.

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. JOHN B. SAMS, JR., 000–00–0000, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT 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

LT. GEN. CHARLES T. ROBERTSON, 000–00–0000, U.S. 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. FRANK B. CAMPBELL, 000–00–0000, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING U.S. ARMY NATIONAL GUARD OFFICER FOR PROMOTION IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 3385, 3392 AND 12203(A):

To be brigadier general

COL. PAUL J. GLAZAR, 000–00–0000.

IN THE NAVY

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 SECTIONS 601 AND 5035:

VICE CHIEF OF NAVAL OPERATIONS

To be admiral

VICE ADM. HAROLD W. GEHMAN, JR., 000–00–0000.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1996:

DEPARTMENT OF STATE

JOHN CHRISTIAN KORNBLUM, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF STATE.

BARBARA MILLS LARKIN, OF NORTH CAROLINA, TO BE AN ASSISTANT SECRETARY OF STATE.

THOMAS C. HUBBARD, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE PHILIPPINES AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PALAU.

GLEN ROBERT RASE, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM.

WENDY JEAN CHAMBERLIN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE LAO PEOPLE'S DEMOCRATIC REPUBLIC.

JAMES FRANCIS CREAGAN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDURAS.

LINO GUTIERREZ, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NICARAGUA.

DENNIS C. JETT, OF NEW MEXICO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PERU.

TIBER P. NAGY, JR., OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

DONALD J. PLANTY, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUATEMALA.

LESLIE M. ALEXANDER, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ECUADOR.

AVIS T. BOHLEN, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BULGARIA.

MARISA R. LINO, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ALBANIA.

JOHN F. HICKS, SR., OF NORTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF ERITREA.

ALAN R. MCKEE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SWAZILAND.

ARLENE RENDER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND

PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZAMBIA.

HAROLD WALTER GEISEL, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SEYCHELLES.

MADELEINE MAY KUNIN, OF VERMONT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND.

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 EXTRAORDINARY AND PLENIPOTENTIARY.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

GERALD S. MCGOWAN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1998.

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.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING TERENCE FLANNERY, AND ENDING GEORGE F. RUFFNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 9, 1996.

FOREIGN SERVICE NOMINATIONS BEGINNING JUSTIN EMMETT DOYLE, AND ENDING ROBERT T. YURKO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 9, 1996.

FOREIGN SERVICE NOMINATIONS BEGINNING DONALD C. MASTERS, AND ENDING KURT N. THEODORAKOS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 18, 1996.

EXTENSIONS OF REMARKS

THOUGHTS ON MOTHERHOOD

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. HYDE. Mr. Speaker, last Mother's Day, Terry Gnezda Peckham, the wife of Gardner Peckham, an assistant in the Speaker's office, wrote a beautiful and profound paper entitled ''Thoughts on Motherhood.''

Her statement is pure literature and I urge my colleagues to take the time to read it carefully. They will be enriched.

THOUGHTS ON MOTHERHOOD—MOTHERS' DAY 1996

(By Terry Gnezda Peckham)

When Father DeSilva asked me to speak today about motherhood, I was very honored to have the chance to share some of my feelings and experiences with you. I'm sure that I am not alone when I think of motherhood as probably the most treasured experience I will ever have. I'm also sure that all of you can remember, as I do, special moments when you have been overcome by the intensity and the beauty of the love you share with your children.

I can vividly remember a beautiful early Summer afternoon two years ago when my daughters were playing in our backyard. School had just ended and the girls seemed so carefree and happy. As I looked out the window that day at my two precious daughters, I thought, life is great! I felt so happy and proud that my husband and I could have given our daughters such a wonderful start in life. They had a nice house in a nice neighborhood, two healthy parents, and a safe, loving, and secure family. On that afternoon I felt so lucky and so overwhelmed with love for my girls, that all the ups and downs of motherhood were replaced with a sense of deep satisfaction and peace. I remember thinking that that was going to be an especially wonderful Summer for us.

Three weeks later, everything had changed when I found myself in the hospital confronting the fact that I was seriously ill. My doctors outlined a plan for several months of horrible and debilitating treatment that would end with extremely serious surgery.

I was terrified—terrified of the treatment, and terrified of what could happen to me if things didn't go as the doctors had planned. I didn't know how I would find the strength to get through it. But, no matter how uncertain my future was at that point, I knew I had to fight this illness—mostly because of my two girls; they were only 4 and 7 at the time, and we still had so much to share.

So, with support from my husband, my family and friends, and with God's help, I was able to find the strength I needed to get through my ordeal.

And, thankfully, things went as my doctors had planned, and I'm here—and I expect to be here for a long, long, time. But this experience, as awful as it was, has led me to a deeper understanding of many things, one of which is motherhood. It has also led me to an unquestionable respect for the power of God's love that flows between mothers and their children.

Ever since I was a little girl I wanted to be a mother. I used to love to go to Church on Sunday morning and watch all the young mothers with their babies. Sometimes I'd even take one of my dolls with me so that I could pretend that I, too, was a young mother. I couldn't imagine anything more wonderful than to have a house full of children. I dreamed about how much fun it would be to watch them all grow, sharing their interests and their dreams and bringing so much love and excitement to life.

I think I played with dolls longer than any of my friends, and I grew up in great anticipation of having children of my own.

Well, motherhood has turned out to be much, much more than I could have ever dreamed. I love being a mother and think it's just about the greatest gift that God has ever given me.

It's awfully hard to put into words what motherhood is really all about. Sometimes it seems too demanding, too tiring, and too overwhelming to cope with, and other times it is incredibly rewarding, very inspiring, and deeply satisfying. Motherhood pushes us to our limits, physically, emotionally, and often intellectually, as we and our children experience life together.

Through motherhood, we face every possible emotion with an intensity that is unparalleled in other aspects of life. When our children are happy, we are overjoyed, and when they're sad we ache inside, often because we feel powerless to take away the pain. This intensity of feeling brings such pride (the kind that makes you well-up inside with tears), it keeps us focused on our responsibilities, and leads us to so much uncertainty (and sometimes guilt) as we wonder if we're doing the right thing as we bring-up our children.

For—here is this person who needs parents for everything—for protection, for love, and for guidance—guidance to learn about the world, to learn about other people, to learn how to behave, and to learn about himself or herself.

And here we are, with our husbands, responsible for teaching this person all the things that we think are most important to provide a sound foundation to guide our child's life.

One of the most remarkable things that happens as a result of motherhood is that we learn a great deal about ourselves. It is through motherhood that we come closer to an understanding of who we are, and therefore, what God has given us to share with our children. In fact, I think motherhood brings us into the most intimate relationships that we will ever have with other human beings. And at the heart of this intimacy is honesty and love.

It's not hard to be honest with our children about what we think, feel, or believe, because most of the time it seems that they can see right through us, or at least they sense when something doesn't seem right. And it's a remarkable thing to be honest with our children about who we are, because it gives us the freedom to enjoy life with them in a wonderful way.

With our children, together, we realize that it's O.K. to be spontaneous or silly sometimes. It's good to have fun and laugh. It's also very important to cuddle and hug the people we love, and to trust that there is someone who accepts us as we are, loves us without question, and is always there.

But children must also learn that sometimes it's important to be serious, it's normal to be mad or sad, or disappointed, and fear and unhappiness are part of life, too.

And as we teach our children all of these realities of life, we must also show them the value of having a deep and enduring faith in God. For it is through God's love and his presence in all of us that we are able to celebrate our joys and endure our pain. With this knowledge, children can trust that they are never alone and that God will help them get through anything that life brings.

Together, the intimate relationships with parents, and an enduring faith in God help children to grow into people who accept themselves and others, and feel compassion toward all humanity.

So, motherhood is a monumental responsibility, but it is full of love, joy, and countless rewards. In fact, it is God's most important work.

And, even though I still dread making brown bag lunches for school every day, dislike the struggle over homework every night, and tire of reminding my girls to brush their teeth before they go to bed, I wouldn't trade those moments for anything, because they're part of it all.

And it's when they play together for hours on end singing so happily, or read to each other, cuddling closely on the sofa, or when they marvel at the shapes of the clouds or the colors of the sky—or even when they sit up in the middle of the night, fold their hands and pray that they won't have anymore nightmares—that's when motherhood really feels worthwhile. Or, when we get all those hugs that come out nowhere, or when they look up at us with such trust and love, or when they want to share every last detail of their day, that's also when motherhood feels worthwhile.

My girls are still in primary and elementary school, so I know we've got a long way to go together, but I have faith that the love we have for each other will get us through whatever the future brings, and I know that God will be there to help us.

And so, even though my girls are a little older now, I often wonder if when they were babies and I took them to Church on Sunday mornings, if maybe, just maybe, there was a little girl who dreamed, as I had so many years ago, about how wonderful it will be to be a mommy. To that little girl and all the other little girls here today, I hope you will keep dreaming, and that someday you, too, will be blessed with the gift of motherhood.

SUPPORT FOR SCHOLARSHIPS THROUGH PRIVATE FOUNDATIONS

HON. ED BRYANT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. BRYANT of Tennessee. Mr. Speaker, today Mr. CLEMENT and I introduced a bill to help private foundations with educational scholarship programs. We should be encouraging greater partnerships between private groups, local communities, and aspiring students, but current IRS rules sometimes skew the roads to that goal.

Under current law, a private foundation formed primarily to provide scholarships or

educational loans to employees of a particular company must meet a number of criteria to avoid severe Federal tax penalties. Those criteria are designed to assure that such foundations were not set up as tax shelters or to provide nonmonetary compensation or benefits to employees. I agree with the good intentions of the current law, however, one of the requirements stifles the ability of private foundations to design scholarships for particular purposes. I am referring to the ''25-percent test.''

Under current law, a private foundation—usually established and funded by a single individual or employer—can offer scholarships to only 25 percent of students who apply. That means three out of four applicants must be turned down, not because of lack of merit or lack of funds, but to satisfy Federal rules.

My bill would remove that requirement from Federal law, but keep in place the seven guidelines the IRS has drawn up to meet the law's ''objective and nondiscriminatory'' standard. That way, private foundations could design more focused programs without weakening the safeguards against using such organizations for tax benefits or as hidden compensation. It also removes current law's discrimination against small communities with a single large employer.

Our laws should not discourage support for higher education. Foundations, reflecting the demonstrated generosity of their financial supporters, should not be told by the Federal Government that they have to deny three out of four of the students who may need their help. Rather, the door should be open for expanding the opportunities available to individuals.

TRIBUTE TO BOB LEE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. McINNIS. Mr. Speaker, I rise today to recognize a great community leader in my home State of Colorado, Mr. Bob Lee. Although Bob recently retired from Daniels and Associates, he remains active in and continues to be sought out for advice and guidance by everyone from his neighbors, to Presidents of the United States.

He is a dedicated conservative and has been an active member of the Republican Party. He was first elected Denver County Republican chairman in 1958, and was instrumental in implementing a statewide plan to build a solid organization.

Word of Bob's skills and his conservative convictions traveled rapidly around the country. While he never intended to give up his real state career in Denver, he was called upon to advise and direct numerous campaigns. At the request of Richard Nixon, he agreed to run a successful legislative campaign in New Jersey, resulting in the Republicans controlling both Houses there for the first time in 25 years.

Mr. Speaker, Bob Lee and his wife Bee recently celebrated their 57th wedding anniversary, and I know you will join me in congratulating them on their wonderful marriage. Together they have three children, five grandchildren, and two great-grandchildren. They are respected in their community, which they have given so much back to.

PERSONAL EXPLANATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. GOODLING. Mr. Speaker, last night I was present for roll vote No. 279, amendment 37 to H.R. 3666, the Veterans Affairs, Housing and Urban Development, and independent agencies appropriations bill. I slipped my voting card into the electronic voter tallying device and voted no. However, due to an electronic error I was recorded as not voting. I regret that my no vote was not recorded. As a result, my vote was paired with the minority leader.

AMERICAN LAND SOVEREIGNTY PROTECTION ACT OF 1996

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. YOUNG of Alaska. Mr. Speaker, today I introduce legislation which will require the specific approval of Congress before any area within the United States is subject to an international land use nomination, classification, or designation. International land use designations such as World Heritage Sites, Biosphere Reserves and some other international land use designations can affect the use and market value of non-Federal lands adjacent to or intermixed with Federal lands. Legislation is needed to require the specific approval of Congress before any area within the United States is made subject to an international land use restriction. The rights of non-Federal landowners need to be protected if these international reserves are created.

This legislation asserts the power of Congress under article IV, section 3 of the U.S. Constitution over management and use of lands belonging to the United States; protects State sovereignty from diminishment as a result of Federal actions creating lands with international designations; ensures that no U.S. citizen suffers any diminishment or loss of individual rights as a result of Federal actions creating lands with international designations; protects private interests in real property from diminishment as a result of Federal actions creating lands with international designations; and provides a process under which the United States may when desirable designate lands for inclusion under certain international agreements.

Many Americans may be surprised by the expanse of our Nation's territory which is subject to various special international restrictions, most of which have evolved over the last 25 years. The most extensive international land use designations are UNESCO Biosphere Reserve Programs and World Heritage Sites. These international land designations have largely been created with minimal, if any, congressional input or oversight or public input. They are usually promoted as a type honorary title which will provide additional publicity resulting in increased tourist visits and a corresponding increase in economic benefits. Promoters at UNESCO Biosphere Reserves and World Heritage Sites say these programs are voluntary and nonbinding.

However, in becoming a party to agreements underlying international land use designations, the host government explicitly promises to undertake certain actions to protect these areas and limit or prohibit certain land uses. Honoring one of these agreements could force the Federal Government to choose between regulating surrounding non-Federal land uses to conform to the designated international use of breaking a pledge to other nations.

Federal regulatory actions could prohibit certain uses of non-Federal lands outside the boundary of the international designation, thereby causing a significant negative impact on the value of non-Federal property and on the local and regional economy. This legislation would compel the Congress to consider the implications of an international designation and protect non-Federal lands before the designation is made.

FDA APPROPRIATIONS

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. BARTON of Texas. Mr. Speaker, I again note that the Appropriations Committee is recommending increased funding for the Food and Drug Administration. As chairman of the Oversight and Investigations Subcommittee of the Committee on Commerce, I commend the Committee on Appropriations for its strong support of the Food and Drug Administration, which plays an important role in protecting public health. In addition, I commend my colleagues on the Committee on Appropriations for their oversight activities regarding the Food and Drug Administration.

The Subcommittee on Oversight and Investigations has worked diligently in this Congress to identify shortcomings in FDA's performance of its important duties and work with the agency to correct those shortcomings. No problem in agency performance is as vexing as the systematic failure of FDA to meet its statutory duties to timely review various applications and petitions about food, drugs, and medical devices. Indeed, not only does the agency fail to meet its statutory duty for timely reviews, the agency refuses to acknowledge it. In testimony before the Committee on Appropriations, as well as the Committee on Commerce, Commissioner Kessler has boasted of meeting the goals of the Prescription Drug User Fee Act, alluding to objectives he identified and included in letters sent to Congress that were then made part of the legislative history of the Prescription Drug User Fee Act. However, Commissioner Kessler's testimony has consistently ignored the plain language of the Federal Food, Drug, and Cosmetic Act specifying review periods. Given Commissioner Kessler's legal training, one would expect that his testimony might be more mindful of the plain language of FDA's authorizing statute.

Timely review of applications and petitions is a matter of very real consequence. Witnesses who have come before the Oversight and Investigations Subcommittee have repeatedly told heart-wrenching stories of their inability to obtain in the United States safe and effective treatments that are available elsewhere. These patients, often fighting life-

threatening diseases, are the very personal side of the grim statistics regarding the adverse effect on public health caused by excessive delay in approval of safe and effective drugs and medical devices. There are also economic consequences. Hearing records explain clearly that as approval of medical devices is excessively delayed in the United States, the developers of those devices, principally U.S. firms, are forced by economic realities to begin manufacture of those devices overseas where more timely approvals have been obtained. It is dark humor that a joke told at an international medical device conference observed that if a medical device is approved in the United States, it must be obsolete. These delays not only deny American patients the most safe and effective therapies, but also result in the loss of U.S. jobs.

Regrettably, these are not small shortcomings. I urge my colleagues to review a table that lists the statutory deadline for review of certain applications and petitions, as well as the average time that FDA takes to conduct these reviews, according to the latest published FDA reports.

I trust my colleagues will share my concerns that agency performance is woefully off the mark. The Committee on Appropriations is to be commended for directing FDA to meet its statutory duties for timely review. I ask unanimous consent that this statement be printed following my remarks.

Food Additive Petitions.—Within 180 days (6 months) after filing of a petition, FDA is required to publish a regulation authorizing the use of the food additive or deny the petition. 21 U.S.C. §348(c). Current ''average time to approval''—48 months. ''Agriculture, Rural Development, Food and Drug Administration, and Related Appropriations for 1996,'' Hearings Before the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations, House of Representative, Part 6, 104th Cong., 1st Sess., p. 664 (Mar. 28, 1995) (hereafter ''FY 96 House Agriculture Appropriations Hearings'').

Health and Nutrient Content Claim Petitions.—Within 190 days (6.25 months) after filing of a petition, FDA is required to propose regulations authorizing the use of the health or nutrient content claim or deny the petition. 21 U.S.C. §343(r)(4). Current average review time from filing to issuance of a proposed rule—10 months. 62 Fed. Reg. 296 (Jan. 4, 1996); 60 Fed. Reg. 37,507 (July 20, 1995).

Nutrient Content Claim Synonym Petition.—Within 90 days (3 months) after submission of a petition, FDA is required to approve the use of the synonym for nutrient content claims or deny the petition. 21 U.S.C. §343(r)(4). Current average review time from submission to approval—19.5 months.[1] FDA Docket No. 94P–0216 (Letter from F. Edward Scarborough, Ph.D., Director, Office of Food Labeling to Douglas C. Marshall, Darigold, Inc. (Oct. 30, 1995)).

New Human Drug Applications (NDAs).—Within 180 days (6 months) after filing of an application, FDA is required to approve the human drug or give the application notice of an opportunity for a hearing before FDA on the question of whether the application is approvable. 21 U.S.C. §355(c)(1). Current average time for ''first action''—twelve months. Statement by David A. Kessler, M.D., Commissioner of Food and Drugs, Department of Health and Human Resources Before the Subcommittee on Health and Environment, Committee on Commerce, U.S. House of Representatives, p. 4 (May 1, 1996) (hereafter, ''Health and Environment Subcommittee Hearing'').

Abbreviated New Drug Applications (ANDAs).—Within 180 days (6 months) after initial receipt of an application, FDA is required to approve the drug or give the applicant notice of an opportunity for a hearing before FDA on the question of whether the applicant is approvable. 21 U.S.C. §355(j)(4)(A). Current average review time from receipt to approval—34.2 months. Department of Health and Human Services Fiscal Year 1997 Justification of Estimates for Appropriations Committees for the Food and Drug Administration,'' p. 65 (hereafter ''FY 97 FDA Justification of Estimates for Appropriations Committees'').

Medical Device Premarket Approval Applications (PMAs).—Within 180 days (6 months) after receipt of an application, FDA is required to approve the medical device or deny the application. 21 U.S.C. §360e(d)(1)(A). ''Current average review time''—20 months. Health and Environment Subcommittee Hearing, pp. 9–10.

New Animal Drug Applications (NADAs).—Within 180 days (6 months) after filing of an application, FDA is required to approve the animal drug or give the applicant notice of an opportunity for a hearing before FDA on the question of whether the application is approvable. 21 U.S.C. §360b(c)(1). Current average review time from receipt to approval—39 months. FY 97 FDA Justification of Estimates for Appropriations Committees, p. 83.

Abbreviated New Animal Drug Applications (ANADAs).—Within 180 days (6 months) after initial receipt of an application, FDA is required to approve the generic animal drug or give the applicant notice of an opportunity for a hearing before FDA on the question of whether the application is approvable. 21 U.S.C. §360b(c)(2)(C). Current average review time from receipt to approval—31 months. FY 97 FDA Justification of Estimates for Appropriations Committees, p. 84.

[1] To date, FDA has received only one synonym petition.

CONGRATULATIONS EAST ORANGE WELFARE DEPARTMENT

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, I urge my colleagues to join me in recognizing the outstanding work that is being done on behalf of women by the East Orange Welfare Department, in my district in New Jersey. For the past 10 years, the East Orange Welfare Department has dispel some of the negative stigmas associated with women and welfare and to recognize and applaud the achievements of women in the community.

Too often, women are the subject of the cruel realities of gender discrimination, sexism, sexual harassment, and the like in this historically male-biased society. The East Orange Welfare Department has taken on the responsibility of speaking out on behalf of the accomplishments of women, and glorifying rather than stigmatizing them. We must join the East Orange Welfare Department as they recognize the invaluable impact that women have had on every facet of our modern communities.

The East Orange Welfare Department has served to support its citizens by the coordination of fiscal, medical, and social services in the community and has been instrumental in providing an environment intent on fostering financial independence and self-sufficiency. Its recent call to honor women is simply another example of the department's firm commitment to not only help those in need, but to lend a voice to those too frequently unheard.

Mr. Speaker, please join me in commending the dedicated employees at the East Orange Welfare Department for their outstanding work in advancing the progress of women.

50TH ANNIVERSARY OF CDC

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mrs. MORELLA. Mr. Speaker, the Nation's prevention agency, the Centers for Disease Control and Prevention [CDC], will turn 50 on July 1. As co-chair of the Congressional Caucus for Women's Issues and a strong supporter of this agency's prevention mission, I would like to acknowledge the 50th anniversary milestone with a few examples of how CDC has effectively promoted women's health.

The CDC National Breast and Cervical Cancer Early Detection Program provides mammography screening and Pap smear services to low-income and underserved women. This program has been critical to the early detection of breast and cervical cancer in poor, elderly, and minority women.

CDC has been working toward the implementation of a national STD-related infertility prevention plan, and has awarded grants to university/health department consortia for chlamydia research. A chlamydia prevention program in region X between 1988 and 1994 has provided chlamydia screening in nearly every title X family planning clinic; the resulting rate of chlamydia has decreased from about 10 percent to below 5 percent. The CDC is currently working to implement this program throughout the country.

CDC has issued guidelines promoting voluntary HIV counseling and testing of pregnant women, recognizing that a voluntary approach is the most effective way of preventing perinatal transmission of HIV. The CDC guidelines will provide access to early interventions that will actually prevent perinatal transmission, and link them to HIV care and services. Preserving a patient-provider relationship of trust is essential to keeping women in the health care system.

CDC has implemented a long-term, comprehensive national strategy for reducing smoking among women. Cardiovascular disease is the No. 1 killer of American women, and smoking prevention must be a primary part of any strategy to address this women's health threat. CDC has awarded a number of grants to State health departments to implement effective tobacco prevention and control programs targeted to women.

CDC has also funded community demonstration projects to prevent violence against women, another priority of the Women's Caucus.

I am particularly pleased to note the establishment, in 1994, of an Office on Women's Health at CDC, which has worked to ensure that women's health needs are adequately addressed in CDC's research projects and prevention programs. Indeed, promoting women's

health is one of the five priorities of the agency, as articulated by its Director, Dr. David Satcher.

Again, I congratulate the agency and its dedicated scientists, epidemiologists, and public health personnel for their hard work and accomplishments, and wish them continued success in the next 50 years.

MANAGED CARE BILL OF RIGHTS FOR CONSUMERS ACT OF 1996

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Ms. VELÁZQUEZ. Mr. Speaker, I rise before you today to introduce a crucial piece of legislation—the Managed Care Bill of Rights for Consumers Act of 1996. I introduced this legislation in response to a repulsive and dangerous trend taking place in this country. Seven out of ten Americans are now in some form of managed care plan. Although this newest form of health care has been successful in cutting costs, it has done so at the expense of patient care. Working class people are falling victim to a cruel and vicious system that far too often puts profits before people.

Health care companies should make people healthy, not sick, yet enrollees with specific or rare diseases are not provided specialists to treat their illnesses. Even more alarming, HMO patients are routinely denied compensation for emergency room visits and managed care companies often include financial perks in the contracts of doctors who withhold patient services and lab reports in order to save money. So while ultra wealthy HMO's are making billion dollar profits, working class families are paying for those profits with their health and in some cases their lives.

My bill seeks to eliminate these problems and many more by ensuring that there is a wider variety of care providers to choose from and that providers are geographically accessible to patients. Moreover, my bill seeks to prohibit unhealthy HMO policies by allowing out of network options for specialists and emergency room care without prior approval.

I implore my colleagues on both sides of the aisle to join me in sponsoring this essential piece of legislation. Assist me in safeguarding the American citizens' access to quality, affordable health care.

DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION ACT OF 1996

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. SPRATT. Mr. Speaker, Dhahran is a grim reminder that terrorists today are not only insidious and stealthy but technically sophisticated. It is only a matter of time till they couple their unconventional tactics with unconventional weapons. Terrorists have already released chemical weapons in the Tokyo subways. Biological, and even nuclear weapons, are only a few steps removed, and well within their reach.

For that reason, I am pleased to sponsor in the House a bill that Senator NUNN, Senator LUGAR, and Senator DOMENICI offered in the Senate this morning as an amendment to the Defense authorization bill. Rep. BILL MCCOLLUM, who has a longstanding interest in counter-terrorism, joins me as a cosponsor.

In the Defense Against Weapons of Mass Destruction Act, we set forth a set of policies to respond to a threat that has emerged and grown with the end of the cold war. We can all be relieved that the risk of nuclear attack by Russia has receded. By the end of this year, Ukraine, Byelorussia, and Kazakhstan all should be free of deployed nuclear weapons. But the breakup of the Soviet Union has opened up a storehouse of destructive weapons and components to terrorist groups and nations hostile to the United States. So, ironically, while the risk of nuclear annihilation has become more remote, we find ourselves faced with a growing risk of attacks, albeit limited, by nuclear, biological, or chemical weapons.

We have spent considerable time in the House debating defenses against intercontinental ballistic missiles, and it is a pertinent debate about a serious threat. But our focus on ICBMs may have deflected our attention from a far more likely threat: a terrorist-type bomb, with a nuclear, biological, or chemical warhead. This technology is easier to develop than ICBMs, and as the chemical attack in the Tokyo subway makes clear, terrorist groups can and will use these weapons. In fact, they offer terrorists plausible deniability—they can use such weapons and leave the United States with no clear-cut enemy to retaliate against. Ballistic missiles, on the other hand, leave a return address written in several thousand degrees fahrenheit.

This bill will help shift attention to the everyday threats that proliferation is creating. Moscow has acknowledged that it has 40,000 metric tons of chemical weapons in its stockpile. There are about 80 facilities in the former Soviet Union that store weapons grade nuclear materials, and as the Center for Strategic and International Studies said in a report released this week, these poorly protected storage sites are patrolled by demoralized and underpaid guards. Russian law enforcement officials reported 54 cases of theft of fissile materials in 1993 and 1994, and both German and Czech officials have seized fissile materials originating in the FSU. In Project Sapphire, we airlifted 600 kilograms of highly enriched uranium-enough for a dozen bombs—from a facility in Kazakhstan that was protected by little more than a padlock. We cannot possibly bring all of the nuclear, chemical, and biological weapons and materials of the former Soviet Union here to the United States; we must help these nations secure these materials, and by doing so, help protect ourselves.

It is not just the FSU, of course, that we have to be concerned about. Libya is constructing a chemical weapons facility in Torhuna. North Korea probably possesses enough plutonium to make several nuclear weapons. China is assisting Iran in building a uranium hexafluoride [HEX] facility which converts uranium into a gaseous form so it can be diffused to produce highly enriched uranium. There are allegations that a Russian General helped smuggle binary nerve agents to Syria. All these incidents point to the possibility of a terrorist-type attack by some weapon of mass destruction at some point in the not-too-distant future.

The legislation Representative MCCOLLUM and I are introducing today addresses the problem in three broad ways:

First, stopping the spread of weapons of mass destruction and their components. The FSU offers terrorist groups and nations hostile to the United States their multiple chances to pilfer or acquire on an inchoate black market various weapons of mass destruction [WMD]. This bill will help the FSU tighten up security over these weapons and materials, and monitor and verify their status.

Second, making sure the United States can detect and interdict weapons of mass destruction and their materials. The United States has concentrated very little effort on how to detect weapons of mass destruction or their component materials if smuggled into this country, and we have done too little to learn how to disable these weapons safely, once discovered. This bill will help develop these capabilities.

Third, being prepared should the United States be the victim of a weapon of mass destruction. The United States is not equipped to deal with an attack by a weapon of mass destruction. The World Trade Center and Oklahoma City bombings were devastating, and the bombing in Dhahran shows just how vulnerable Americans are to terrorist attack—but these attacks pale in comparison to a nuclear, biological or chemical weapon attack. This bill will train Federal, State and local officials to act in a coordinated way in response to nuclear, biological, or chemical weapon attacks.

I am pleased to have Representative MCCOLLUM join me in introducing this legislation. He is a leader in the Congress on this and related issues of law enforcement. He was a member of the CSIS steering committee that produced The Nuclear Black Market study published earlier this week, which helped frame this legislation. And as Chairman of the Judiciary Committee's Subcommittee on Crime, Representative MCCOLLUM's support of this legislation will be critical in ensuring its adoption.

Representative WELDON weighed cosponsoring this legislation with Representative MCCOLLUM and me, but decided to take more time to consider specific parts of the bill. I understand that Representative WELDON may introduce a modified form of the bill sometime next month, and I hope to work with him on that. Representative MCCOLLUM and I likewise may modify or add to the bill before us, so this does not purport to be the last word on the subject, but it does represent a solid, bipartisan baseline from which to start. In dealing with threats like these, we do not need to divide along party lines. The bill received an enormous vote of support in the Senate this morning. I hope we can amass the same support in the House and move the bill swiftly to passage or include it in the Defense authorization conference report, so that we can begin implementing it in earnest.

DOROTHY AND DON BERO CELEBRATE 50TH WEDDING ANNIVERSARY

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute and give congratulations to Don

and Dorothy Bero on the occasion of their 50th wedding anniversary which will take place this Friday, June 29, 1996.

By joining themselves in marriage 50 years ago, Don and Dorothy made a commitment to sharing a life of love and respect for each other. It was a commitment they have kept to this day. Their strong marriage is a testament to this love and has provided an inspiration to all who have met them.

A famous theologian once said, ''There is no more lovely, friendly and charming relationship, communion or company than a good marriage.'' The honest and unselfish love that Don and Dorothy Bero have demonstrated during the past 50 years strengthens the institution of marriage.

I ask my colleagues to join me today in congratulating the Beros and to extend these warm wishes to their daughters, Nancy and Sally, and their grandchildren, John, Corbin and Jane.

SAFE DRINKING WATER ACT AMENDMENTS OF 1996

SPEECH OF

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1996

Mr. FRANKS of Connecticut. Mr. Speaker, I rise today to express my support for H.R. 3604, the Safe Drinking Water Act amendments. This bill will assure the safety of our drinking water. The American public will no longer have to worry that the water they drink might contain harmful contaminants.

H.R. 3604 will provide State and local water systems with the resources they will need to ensure the safety of our drinking water. The bill creates a $7.6 billion State revolving fund. This fund will provide direct loans and grants that will allow water systems to make the improvements needed to ensure safe drinking water.

Under the provisions of the bill water, systems will have to comply with standards that will ensure that our drinking water is free of the most dangerous contaminants, like cryptosporidium, a microbe that killed over 100 people in Milwaukee in 1993.

Mr. Speaker, H.R. 3604 will ensure that every community in the country has clean and safe drinking water. I encourage my colleagues to support passage of this bill.

TRIBUTE TO MYRTLE FAUCETTE

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. FILNER. Mr. Speaker, I rise today to honor a great friend and community leader who passed away last month, Myrtle O. Faucette. Those of us in the educational community know that Myrtle always worked to make life better for everyone, especially children.

Myrtle followed her father into the field of education and became a teacher and administrator in the San Diego Unified School District for more than 35 years. She served as a resource teacher and music teacher before being appointed an administrator. She was principal at Knox Elementary School for a decade before being disabled in 1995.

A 37-year resident of San Diego County, Myrtle was born in Greensboro, NC, the oldest of four children born to C.R.A. Cunningham, retired registrar of North Carolina A&T College, and the late Ida M. Cunningham.

Myrtle distinguished herself academically as a valedictorian of her high school class. She earned a degree in education at North Carolina A&T, graduating summa cum laude in 1956. Later she received an M.A. in education from United States International University. She moved to San Diego in 1959 after her marriage to Paul M. Faucette.

She worked closely with San Diego's Administrators Association, the Association of Black Educators, and Delta Kappa Gamma, a professional organization of women educators. She was on the board of education of St. Paul's Episcopal Cathedral and represented San Diego City schools at conferences throughout the state.

Myrtle served as president of the San Diego Alumni Chapter of Delta Sigma Theta Sorority. An accomplished musician, she often played piano at various community functions. She resided in the Spring Valley area of California's 50th Congressional District.

She was indeed a guiding light to all that came to know her in a long and illustrious career. My thoughts and prayers go out to her loving husband Paul, to her family and friends, and to the community she served.

MR. AND MRS. MCDERMOTT'S 50TH WEDDING ANNIVERSARY

HON. PETER BLUTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. BLUTE. Mr. Speaker, I rise today to offer my sincere congratulations to Mr. and Mrs. James J. McDermott on the occasion of their 50th wedding anniversary.

The McDermotts are true patriots. Mr. McDermott left Worcester, MA to fight in World War II; answering the call of his Nation in a time of great need. His high school sweetheart, Helen Tauras, anxiously awaited his return from war and ever the patriots, James and Helen were married on Independence Day—July 4, 1946.

Their love has endured for a half century. They have witnessed a lot together over that time and have shared many experiences but none so precious as the love they have for each other and their children.

The McDermotts are a typical American family. They raised four boys, James, Donald, Kevin, and Brian in Worcester, providing a loving and stable home and instilling strong values in each of them. Their undying love for each other has been an inspiration for their children, friends and neighbors. Those having the honor of knowing the McDermotts know the love and tenderness they share.

Mr. Speaker, I am proud to represent the McDermotts who reside in my district. I would like to join with their many friends in offering my most heartfelt congratulations to the McDermotts on their special day. I wish them all the best and good luck as they continue together into their next 50 years.

PERSONAL EXPLANATION

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Ms. ROYBAL-ALLARD. Mr. Speaker, due to the need to attend the funeral of a close personal friend and campaign advisor in Los Angeles, I was absent for the House Session held on Wednesday, June 26, 1996. As a result, I missed a number of recorded floor votes including amendments and final passage to H.R. 3666, the VA-HUD-Independent Agencies appropriations bill for fiscal year 1997.

My constituents have the right to know how I would have voted on the various amendments, bills, and rules considered during this time. For the RECORD, I would like to indicate my position on each missed vote:

Motion to Adjourn, rollcall 271—''no''.

Lazio amendment to H.R. 3666, rollcall 272—''yes''.

Shays/Lowey amendment to H.R. 3666, rollcall 273—''yes''.

Sanders amendment to H.R. 3666, rollcall 274—''yes''.

Hefley amendment to H.R. 3666, rollcall 275—''no''.

Hostettler amendment to H.R. 3666, rollcall 276—''no''.—This recorded vote was later withdrawn by unanimous consent.

Gutknecht amendment to H.R. 3666, rollcall 277—''no''.

Walker amendment to H.R. 3666, rollcall 278—''no''.

Markey amendment to H.R. 3666, rollcall 279—''no''.

Roemer amendment to H.R. 3666, rollcall 280—''yes''.

On the Motion to Recommitt with Instructions, rollcall 281—''yes''.

On Final Passage of H.R. 3666, rollcall 282—''no''.

THE 50TH ANNIVERSARY OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. MARKEY. Mr. Speaker, I rise today to call the attention of my colleagues to the many accomplishments of the Centers for Disease Control and Prevention and to mark the occasion of its 50th anniversary, which will occur on July 1.

In its earliest incarnation, CDC was known as the Malaria Control in War Areas [MCWA], and it was tasked with combatting malaria on military bases in the Southern United States. Over the years, CDC's mission and reach have expanded dramatically. Today, CDC is the Nation's prevention agency, responsible for the prevention of disease, disability, and injury. CDC focuses not only on combatting traditional communicable diseases, like malaria and syphilis, but also on preventing outbreaks of new and reemerging infectious diseases,

reducing the incidence of HIV/AIDS, fighting breast and prostate cancer, and preventing lead poisoning in children. But CDC has not been satisfied only to defend America and the world against disease—it also has taken the offensive, promoting healthy behavior through smoking cessation, and immunization efforts.

CDC has been faced with a host of challenges over the last half century, and the many scientists and public health professionals who make this relatively small agency a force to be reckoned with have never failed to rise to those challenges. Utilizing a technique for investigating disease outbreaks, ''Hot Zone'' author Richard Preston has called the marriage of great labs with shoe-leather disease detective work, CDC has taken on epidemics around the globe. The threat of emerging infectious diseases that our Nation and the world now face becomes somewhat less alarming when we remind ourselves of the unflagging courage and unfailing efforts of the devoted professionals at CDC who stand ready to fight back.

I would like to commend CDC on its long record of achievement, which is outlined in a brief history of the agency prepared by CDC that I am including in the RECORD, and to thank the scientists, doctors, public health professionals, and staff of the CDC for all that you have done for us over the past 50 years. Thank you for the lives you have saved and for the good you have done for this Nation and the world.

THE CENTERS FOR DISEASE CONTROL AND PREVENTION—50 YEARS OF ACCOMPLISHMENTS

THE 1940'S

1946

The Communicable Disease Center, or CDC, opens in the old ''Office of Malaria Control in War Areas'' in downtown Atlanta. Part of the U.S. Public Health Service (PHS), the CDC has a mission to work with state and local health officials in the fight against malaria (that was still prevalent in several Southern states), typhus, and other communicable diseases.

1947

A token payment of $10 is made for 15 acres on Clifton Road in Atlanta, the current home of CDC headquarters.

THE 1950'S

1951

The Epidemic Intelligence Services (EIS) is established. EIS quickly becomes the Nation's—and the world's—response team for a wide range of health emergencies. Its young, energetic medical officers make house calls around the world.

CDC broadens its focus to include polio and establishes closer relationships with the states. National disease surveillance systems begin.

1955

The Polio Surveillance Unit is established. Ten years later, CDC assumes PHS responsibility for the control of polio; the disease almost disappears from the Western Hemisphere by 1991.

1957

The Influenza Surveillance Unit is established.

THE 1960'S

1961

CDC takes over publication of the Morbidity and Mortality Weekly Report (MMWR), which publishes important public health updates and data on deaths and certain diseases from every state every week. The first cases of a new disease, later called AIDS, were reported in the MMWR in 1981.

1966

CDC launches the Smallpox Eradication Program to eliminate smallpox and to control measles in 20 African countries. Through CDC's efforts, smallpox, a disease that killed millions of people over the centuries, was eradicated from the world in the late 1970s.

1969

CDC participates in the quarantine of astronauts returning from the first walk on the moon, and the examination of moon rock specimens.

THE 1970'S

1970

The Communicable Disease Center is renamed the Center for Disease Control to reflect a broader mission in preventive health.

1973

The National Institute for Occupational Safety and Health (NIOSH), which protects Americans from on-the-job hazards, becomes part of CDC.

1976

CDC investigates an outbreak of illness in Philadelphia, now called Legionnaire's disease. The following year, CDC isolates the causative agent for this disease: *Legionella pneumophilia.*

1977

The last case of endemic smallpox in the world is reported in Somalia.

1978

CDC opens an expanded, maximum-containment laboratory to handle viruses too dangerous to handle in an ordinary laboratory.

1979

The last case of wild polio virus in the United States is reported.

THE 1980'S

1980

The agency is renamed the Centers for Disease Control to reflect a change in organizational structure.

1981

With the California Department of Health, CDC reports the first cases of an illness later known as acquired immunodeficiency syndrome (AIDS), and organizes a task force of personnel from each center to respond to evidence of an epidemic. AIDS research and prevention efforts continue today.

1983

CDC establishes a Violence Epidemiology Branch to apply public health prevention strategies to the problems of child abuse, homicide, and suicide.

1986

The Office of Smoking and Health, which targets the Nation's primary preventable health problem, becomes part of CDC.

1987

CDC reports a strong association between Reye syndrome and aspirin, noting that 90% of cases could be prevented by reducing aspirin treatment of children.

The National Center for Health Statistics becomes part of CDC.

1988

CDC establishes the Center for Chronic Disease Prevention and Health Promotion to target chronic disease, such as heart disease laboratory is established.

A state-of-the-art viral and rickettsial disease laboratory is established.

1989

CDC and the World Health Organization (WHO) establish a collaborating center for disaster preparedness.

THE 1990'S

1991

CDC begins development of a national strategic plan for the early detection and control of breast and cervical cancers among American women.

CDC conducts the first and largest scale health survey to employ computer-assisted interviewing.

To better reflect the responsibilities and future goals of CDC, the word ''National'' was added to the names of four centers: National Center for Chronic Disease Prevention and Health Promotion, National Center for Environmental Health, National Center for Infectious Disease, National Center for Prevention Services.

1992

The agency adds prevention to its name (Centers for Disease Control and Prevention) to reflect a broader role and vision, but retains the familiar acronym CDC.

1993

CDC launches the National Childhood Immunization campaign.

1995

CDC goes onsite to Zaire to investigate an outbreak of deadly Ebola virus.

CDC recommends AZT therapy for HIV-infected pregnant women to reduce the rate of transmission of the Virus to their babies.

1996

CDC celebrates 50 years of success as the Nation's Prevention Agency.

TRIBUTE TO SISTER JEANNE O'LAUGHLIN

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. SHAW. Mr. Speaker, I rise today with great pleasure to recognize a south Floridian who this year is celebrating her 50th anniversary as an Adrian Dominican sister.

Through her dedication to her work, her faith, and her students, Sister Jeanne O'Laughlin is one of the pillars upon which our south Florida community continues to grow and excel.

Sister Jeanne's work began at an early age in her hometown of Detroit. Instilled with the values of her father, she took jam to the elderly in a nursing home, lent money to those in need, and was well ahead of her time in race relations. She learned the importance of education from her family. Sister Jeanne combined her passions for service, education, and religion by becoming an Adrian Dominican nun at sixteen.

She has continued her mission of education and community service in her work as president of Barry University. Since assuming this post 15 years ago, her tireless efforts have dramatically enhanced many aspects of both the university and Dade county. As president, Sister Jeanne has helped raise over $115 million for the university through an array of fundraising events—even lending her singing voice to the cause. She has diversified the student body of Barry, shifting it from a mostly white female population to include students from over 72 countries.

Sister Jeanne is constantly involved in community activities—chairing the Miami Coalition for a Drug Free Community and acting as president for three other national organizations. Her good works have been recognized

by the likes of the Miami Herald, Florida Governor Lawton Chiles, President Clinton, and Pope John Paul II. Her many generous deeds, both individually and community wide, are legend.

I had a chance to witness Sister Jeanne's tenacity firsthand some years ago when she approached me to assist her in gaining the release of three Chinese women seeking asylum in the United States. These women had been locked up in a dingy hotel room near the Miami International Airport for many months, and Sister Jeanne did not rest until asylum was granted. Recently I had the chance to see Sister Jeanne speak to students at an anti-drug forum. Her ability to elicit a response from these jaded, street smart kids was uncanny, and she most definitely made an impact on the teenagers lives. It is clear that the 16-hour days that Sister Jeanne works have paid enormous dividends in our community. Whenever I see Sister Jeanne, she reminds me that she prays for me and the other elected officials charged with making decisions. I, for one, sleep easier for this.

Mr. Speaker, throughout the United States are many individuals who dedicate their lives to such key social issues as education and community service. Sister Jeanne O'Laughlin is one individual who through her 50 years of service has helped to strengthen our Nation. We in south Florida are truly grateful. I ask my colleagues to join me in congratulating Sister Jeanne O'Laughlin as she celebrates her golden jubilee 50th anniversary as an Adrian Dominican sister.

TRIBUTE TO DICK STULTZ

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. FILNER. Mr. Speaker, I rise today to honor a friend, labor leader, and dedicated government employee who passed away this month—Dick Stultz.

Dick Stultz dedicated his life to the service of our country. Dick was born in Philadelphia, PA. He joined the Marine Corps in 1952, and retired after 30 years of honorable service.

In addition to his military service, Dick worked for 25 years with the U.S. Border Patrol coordinating communications with field agents. During his service with the Border Patrol, Dick became involved in the National Border Patrol Council Local 1613, where he served as first vice president for 3 years, and as president for a year and a half. A strong advocate for field agents, Dick was highly successful in dispute resolution, and was considered a guardian angel by many of the agents he represented.

It was his good working relationship with both agents and management that earned him a commendation from the U.S. Border Patrol for his warm personal style and can-do spirit.

My thoughts and prayers go out to his wife, Veronica, and his family.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S7067–S7219

Measures Introduced: Twelve bills and three resolutions were introduced, as follows: S. 1910–1921, S. Res. 273 and 274, and S. Con. Res. 66.

Pages S7179, S7191–93

Measures Reported: Reports were made as follows:

H.R. 3540, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, with an amendment in the nature of a substitute. (S. Rept. No. 104–295)

S. 1194, to amend the Mining and Mineral Policy Act of 1970 to promote the research, identification, assessment, and exploration of marine mineral resources, with an amendment in the nature of a substitute. (S. Rept. No. 104–296)

S. 1225, to require the Secretary of the Interior to conduct an inventory of historic sites, buildings, and artifacts in the Champlain Valley and the upper Hudson River Valley, including the Lake George area, with an amendment in the nature of a substitute. (S. Rept. No. 104–297)

S. 1646, to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, with an amendment. (S. Rept. No. 104–298)

S. 1703, to amend the Act establishing the National Park Foundation, with an amendment in the nature of a substitute. (S. Rept. No. 104–299)

H.R. 1823, to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1985. (S. Rept. No. 104–300)

H.R. 2967, to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978. (S. Rept. No. 104–301)

H.R. 3008, to amend the Helium Act to authorize the Secretary to enter into agreements with private parties for the recovery and disposal of helium on Federal lands, with an amendment. (S. Rept. No. 104–302)

S. 1648, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Herco Tyme*. (S. Rept. No. 104–303)

S. 1682, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Liberty*. (S. Rept. No. 104–304)

S. 1825, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Halcyon*. (S. Rept. No. 104–305)

S. 1826, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Courier Service*. (S. Rept. No. 104–306)

S. 1828, to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Top Gun*. (S. Rept. No. 104–307) **Page S7178**

Measures Passed:

Congressional Adjournment: Senate agreed to H. Con. Res. 192, providing for an adjournment of the two Houses. **Pages S7151–52**

Defense/Security Assistance: Senate passed H.R. 3121, to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, and to authorize the transfer of naval vessels to certain foreign countries, after agreeing to committee amendments. **Page S7210**

Saudi Arabia Terror Attacks: Senate agreed to S. Res. 273, condemning terror attacks in Saudi Arabia.

Pages S7126–28, S7210–11

North Platte Refuge: Senate passed H.R. 2679, to revise the boundary of the North Platte National

Wildlife Refuge, after agreeing to the following amendment proposed thereto: **Pages S7211–12**

McCain (for Chafee) Amendment No. 4385, in the nature of a substitute. **Pages S7211–12**

Federal Securities Laws: Senate passed H.R. 3005, to amend 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, after striking all after the enacting clause and inserting in lieu thereof the text of S. 1815, Senate companion measure, with an amendment in the nature of a substitute. **Pages S7212–16**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair appointed the following conferees: Senators D'Amato, Gramm, Bennett, Sarbanes, and Dodd. **Page S7216**

Nealon Federal Building/Courthouse: Senate passed 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'', clearing the measure for the President. **Page S7216**

Mark O. Hatfield Courthouse: Senate passed 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'', after agreeing to the following amendment proposed thereto: **Pages S7216–17**

McCain (for Levin) Amendment No. 4386, establishing the Franklin Delano Roosevelt Memorial Commission to extend the service of certain members. **Pages S7216–17**

Hayes Post Office Building: Senate passed H.R. 2704, to provide that the United States Post Office building that is to be located on the 2600 block of East 75th Street in Chicago, Illinois, shall be known as the ''Charles A. Hayes Post Office Building'', clearing the measure for the President. **Page S7217**

Madigan Post Office Building: Senate passed H.R. 1880, to designate the United States Post Office building located at 102 South McLean, Lincoln, Illinois, as the ''Edward Madigan Post Office Building'', clearing the measure for the President. **Page S7217**

DOD Authorizations: Senate resumed 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 S7074–80, S7082–86, S7089, S7093–S7110, S7113–26, S7128–69**

Adopted:

By a unanimous vote of 96 yeas (Vote No. 177), Nunn/Lugar Amendment No. 4349, to authorize funds to establish measures to protect the security of the United States from proliferation and use of weapons on mass destruction. **Pages S7074–80, S7154–56**

Pryor Amendment No. 4365, to express the sense of the Senate that the generic drug industry should be provided equitable relief in the same manner as other industries under the transitional provisions of the Uruguay Round of Agreements Act of 1994. **Pages S7113–25**

By 53 yeas to 45 nays, 1 responding present (Vote No. 179), Hatch Amendment No. 4366 (to Amendment No. 4365), in the nature of a substitute. **Pages S7114–25**

Harkin Modified Amendment No. 4177, to provide for defense burdensharing. **Pages S7130–34**

By 74 yeas to 18 nays (Vote No. 180), Cohen Modified Amendment No. 4369, to authorize additional disposals of material from the National Defense Stockpile. **Pages S7144–46, S7153–54**

McCain (for Warner/Smith) Amendment No. 4372, to require a study of ship self-defense options for the Cyclone class patrol craft. **Page S7156**

Levin (for Glenn/Abraham) Amendment No. 4373, to place a condition on authority of the Secretary of the Navy to dispose of certain tugboats to the Northeast Wisconsin Railroad Transportation Commission. **Page S7156**

McCain (for Cohen) Amendment No. 4374, to clarify the definition of the term ''national security system'' for purposes of the Information Technology Management Reform Act of 1996. **Pages S7156–58**

Levin (for Heflin/Shelby) Amendment No. 4375, to require the Secretary of the Army to type classify the Electro Optic Augmentation (EOA) system. **Page S7158**

McCain (for Grassley) Amendment No. 4376, to require that the report of F–22 aircraft program costs include a comparison with an earlier estimate of costs. **Pages S7158–59**

Levin (for Simon/Conrad/Levin) Amendment No. 4377, to provide funding for research and development relating to desalting technologies. **Pages S7159–60**

McCain Amendment No. 4378, to propose an alternative to section 366, relating to Department of Defense support for sporting events. **Pages S7160–65**

Levin (for Reid) Amendment No. 4379, to provide for the payment by the Department of Energy of costs of operating and maintaining the infrastructure of the Nevada Test Site, Nevada, with respect to activities of the Department of Defense at the site. **Pages S7165–66**

McCain (for Kyl) Amendment No. 4380, to express the sense of the Senate concerning export controls. **Page S7166**

McCain (for Helms) Amendment No. 4381, to attach conditions and limitations to the provision of support for Mexico for counter-drug activities. **Pages S7166–67**

Levin (for Feinstein) Amendment No. 4382, to control the sale of chemicals used to manufacture controlled substances. **Pages S7167–68**

McCain (for Moseley-Braun/Lott/Cochran) Amendment No. 4383, to continue funding for computer-assisted education and training. **Page S7168**

Levin Amendment No. 4384, to require that operational support airlift aircraft excess to the requirements of the Department of Defense be placed in an inactive status and stored at Davis-Monthan Air Force Base pending any study or analysis of the costs and benefits of operating or disposing of such aircraft. **Page S7169**

Rejected:

Lautenberg Amendment No. 4218, to block the transfer of $76 million of federally-owned weapons, ammunition, funds, and other property to a private Corporation for the Promotion of Rifle Practice and Firearms Safety. (By 71 yeas to 29 nays (Vote No. 178), Senate tabled the amendment.) **Pages S7093–S7105, S7109–10**

Withdrawn:

Warner (for Pressler/Daschle) Amendment No. 4350, to express the sense of the Congress on naming one of the new attack submarines the ''South Dakota''. **Pages S7074, S7089**

Gregg Amendment No. 4364, to provide for the forfeiture of retirement benefits in the case of any Member of Congress, congressional employee, or Federal justice or judge who is convicted of an offense relating to the official duties of that individual, and for the forfeiture of the retirement allowance of the President for such a conviction. **Pages S7107–09**

Grassley Amendment No. 4370, to establish a commission to review the dispute settlement reports of the World Trade Organization. **Pages S7147–50**

Bryan/Reid Amendment No. 4371 (to Amendment No. 4369), to delete the provisions relating to titanium sponge. **Pages S7152–53**

Pending:

Nunn Amendment No. 4367, to require the President to submit a report to Congress on NATO enlargement. **Pages S7125–26, S7128–30, S7134–44, S7146–47**

A third motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the third cloture motion could occur on Saturday, June 29, 1996. **Page S7156**

By unanimous-consent agreement, the vote on the second motion to close further debate on the bill, scheduled to occur today, was rescheduled to occur on Friday, June 28, 1996 at 9:30 a.m. **Page S7156**

Measure Indefinitely Postponed: Senate indefinitely postponed further consideration of the following measure:

Iranian Baha'i: S. Con. Res. 42, concerning the emancipation of the Iranian Baha'i community. **Page S7218**

Authority for Committees: All committees were authorized to file executive and legislative reports during the adjournment of the Senate on Tuesday, July 2, 1996, from 11 a.m. to 2 p.m. **Page S7218**

Treaties Approved: The following treaties having passed through their various parliamentary stages up to and including presentation of resolutions of ratification, upon division, two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification were agreed to:

Treaty Doc. 103–35, Treaty Between the United States and Jamaica Concerning the Reciprocal Encouragement and Protection of Investment, with annex and protocol.

Treaty Doc. 103–36, Treaty Between the United States and the Republic of Belarus Concerning the Encouragement and Reciprocal Protection of Investment, with annex, protocol, and one declaration.

Treaty Doc. 103–37, Treaty Between the United States and Ukraine Concerning the Encouragement and Reciprocal Protection of Investment, with annex.

Treaty Doc. 103–38, Treaty Between the Government of the United States and the Government of the Republic of Estonia Concerning the Encouragement and Reciprocal Protection of Investment, with annex.

Treaty Doc. 104–10, Treaty Between the United States, and Mongolia Concerning the Encouragement and Reciprocal Protection of Investment, annex and protocol.

Treaty Doc. 104–12, Treaty Between the Government of the United States and the Government of the Republic of Latvia Concerning the Encouragement and Reciprocal Protection of Investment, with annex and protocol.

Treaty Doc. 104–13, Treaty Between the Government of the Untied States and the Government of the Republic of Georgia Concerning the Encouragement and Reciprocal Protection of Investment, with annex.

Treaty Doc. 104–14, Treaty Between the United States and Republic of Trinidad and Tobago Concerning the Encouragement and Reciprocal Protection of Investment, with annex and protocol.

Treaty Doc. 104–19, Treaty Between the United States and Albania Concerning the Encouragement and Reciprocal Protection of Investment, with annex and protocol.

Treaty Doc. 104–24, Agreement for the Implementation of the United Nations Convention of the Law of the Sea of 10 December 1982 Relating to Fish Stocks. **Pages S7209–10**

Nominations Confirmed: Senate confirmed the following nominations:

Thomas C. Hubbard, of Tennessee, to be Ambassador to the Republic of the Philippines and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Palau.

Glen Robert Rase, of Florida, to be Ambassador to Brunei Darussalam.

Raymond W. Kelly, of New York, to be Under Secretary of the Treasury for Enforcement.

Wendy Jean Chamberlin, of Virginia, to be Ambassador to the Lao People's Democratic Republic.

James Francis Creagan, of Virginia, to be Ambassador to the Republic of Honduras.

Lino Gutierrez, of Florida, to be Ambassador to the Republic of Nicaragua.

Dennis C. Jett, of New Mexico, to be Ambassador to the Republic of Peru.

Tibor P. Nagy, Jr., of Texas, to be Ambassador to the Republic of Guinea.

Donald J. Planty, of New York, to be Ambassador to the Republic of Guatemala.

Leslie M. Alexander, of Florida, to be Ambassador to the Republic of Ecuador.

John Christian Kornblum, of Michigan, to be an Assistant Secretary of State.

Barbara Mills Larkin, of North Carolina, to be an Assistant Secretary of State.

John W. Hechinger, Sr., of the District of Columbia, to be a Member of the National Security Education Board for a term of four years.

Avis T. Bohlen, of the District of Columbia, to be Ambassador to the Republic of Bulgaria.

Marisa R. Lino, of Oregon, to be Ambassador to the Republic of Albania.

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.

Arlene Render, of Virginia, to be Ambassador to the Republic of Zambia.

Harold Walter Geisel, of Illinois, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to serve concurrently and without additional compensation as Ambassador of the United States of America to the Republic of Seychelles.

Marcia E. Miller, of Indiana, to be a Member of the United States International Trade Commission for the term expiring December 16, 2003.

Gerald S. McGowan, of Virginia, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1998.

Madeleine May Kunin, of Vermont, to be Ambassador to Switzerland.

Vicky A. Bailey, of Indiana, to be a Member of the Federal Energy Regulatory Commission for the term expiring June 30, 2001.

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.

Routine lists in the Foreign Service. **Page S7218**

Nominations Received: Senate received the following nominations:

A routine list in the Foreign Service.

Pages S7217–18

Messages From the House: **Pages S7173–74**

Communications: **Pages S7174–75**

Petitions: **Pages S7175–78**

Executive Reports of Committees: **Pages S7178–79**

Statements on Introduced Bills: **Pages S7179–90**

Additional Cosponsors: **Pages S7190–91**

Amendments Submitted: **Pages S7193–S7201**

Notices of Hearings: **Page S7201**

Authority for Committees: **Pages S7201–02**

Additional Statements: **Pages S7202–09**

Record Votes: Four record votes were taken today. (Total–180) **Pages S7080, S7110, S7125, S7153–54**

Adjournment: Senate convened at 8:15 a.m., and adjourned on Friday, June 28, 1996, at 12:06 a.m., to reconvene at 8:30 a.m., the same day. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S7218.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FOREIGN OPERATIONS

Committee on Appropriations: Committee ordered favorably reported, with an amendment in the nature of a substitute, H.R. 3540, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997.

APPROPRIATIONS—DISTRICT OF COLUMBIA

Committee on Appropriations: Subcommittee on District of Columbia held hearings on proposed budget estimates for fiscal year 1997 for the government of the District of Columbia, focusing on the District of Columbia public school system, receiving testimony from Karen Shook, President, Jay Silberman, Member At Large, Franklin L. Smith, Superintendent of Schools, and Shelia Handy, Deputy Superintendent for Educational Accountability, Assessment, and Information, all of the District of Columbia Board of Education; and Christopher Cross, Council for Basic Education, Roberts Jones, National Alliance of Business, and Mark Root, Tech Corps, all of Washington, D.C.

Subcommittee recessed subject to call.

APPROPRIATIONS—NATIONAL DRUG CONTROL POLICY

Committee on Appropriations: Subcommittee on Treasury, Postal Service, and General Government held hearings on proposed budget estimates for fiscal year 1997 for the Office of National Drug Control Policy, receiving testimony from Gen. Barry R. McCaffrey, Director, Office of National Drug Control Policy.

Subcommittee recessed subject to call.

NOMINATIONS

Committee on Armed Services: Committee ordered favorably reported 983 military nominations in the Army, Navy, Marine Corps, and Air Force.

FEDERAL ASSISTED HOUSING

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Housing Opportunity and Community Development concluded hearings on a proposal to restructure the Department of Housing and Urban Development's Federal Housing Administration insured and assisted multifamily housing portfolio that receives project-based rental assistance, after receiving testimony from Nicolas Retsinas, Assistant Secretary of Housing and Urban Development for Housing/Federal Housing Commissioner; Patricia J. Payne, Maryland State Department of Housing and Community Development, Crownsville, Maryland, on behalf of the National Council of State Housing Agencies; John K. McIlwain, National Housing Conference, and Benson F. Roberts, Local Initiatives Support Corporation, both of Chevy Chase, Maryland; Eugene F. Ford, Mid-City Financial Corporation, and Michael Bodaken, National Housing Trust, both of Bethesda, Maryland; John J. Koelemij, Tallahassee, Florida, on behalf of the National Association of Home Builders; and Billy Easton, New York State Tenants and Neighbors Coalition, Albany.

FEDERAL LAND MANAGEMENT

Committee on Governmental Affairs: Committee held hearings on proposals to improve the management and organization of Federal natural resources and environmental functions, receiving testimony from Senator Craig; Michael Gryszkowiec, Director of Planning and Reporting, and Charles S. Cotton, Assistant Director, and Chester Joy, Senior Evaluator, both of Energy, Resources and Science Issues, all of the Resources, Community, and Economic Development Division, and Susan Irving, Associate Director, Budget Issues, Accounting Information Management Division, all of the General Accounting Office; Alan L. Dean, National Academy of Public Administration, Washington, D.C.; and Robert H. Nelson, University of Maryland, College Park, on behalf of the Competitive Enterprise Institute.

Hearings were recessed subject to call.

NOMINATIONS

Committee on the Judiciary: Committee ordered favorably reported the nominations of Arthur Gajarsa, of Maryland, to be United States Circuit Judge for the Federal Circuit, Joan B. Gottschall to be United States District Judge for the Northern District of Illinois, Robert L. Hinkle, to be United States District Judge for the Northern District of Florida, Lawrence E. Kahn, to be United States District Judge for the Northern District of New York, Margaret M. Morrow, to be United States District Judge for the Central District of California, and Frank R. Zapata, to be United States District Judge for the District of Arizona.

CHURCH BURNINGS

Committee on the Judiciary: Committee concluded hearings on the Federal response to recent incidents of church burnings in predominantly black churches across the South, after receiving testimony from Senators Faircloth and Kennedy; Deval L. Patrick, Assistant Attorney General for Civil Rights, Department of Justice, and James E. Johnson, Assistant Secretary for Enforcement, Department of the Treasury, both on behalf of the National Church Arson Task Force; Mac Charles Jones, National Council of Churches, New York, New York; Ralph E. Reed, Jr., Christian Coalition, Chesapeake, Virginia; and Jonathan Monzan, Manning, South Carolina.

House of Representatives

Chamber Action

Bills Introduced: 24 public bills, H.R. 3730–3753; and 7 resolutions, H. Con. Res. 192–195, and H. Res. 468–470 were introduced. **(See next issue.)**

Reports Filed: Reports were filed as follows:

H.R. 361, to provide authority to control exports (H. Rept. 104–605, Part II);

Report of the Committee on Government Reform and Oversight entitled "Fraud and Abuse in Medicare and Medicaid: Stronger Enforcement and Better Management Could Save Billions (H. Rept. 104–641);

H.R. 3308, to amend title 10, United States Code, to limit the placement of United States forces under United Nations operational or tactical control (H. Rept. 104–642, Part I);

H.R. 2560, to provide for conveyances of certain lands in Alaska to Chickaloon-Moose Creek Native Association, Inc., Ninilchik Native Association, Inc., Seldovia Native Association, Inc., Tyonek Native Corporation, and Knikatnu, Inc. under the Alaska Native Claims Settlement Act, amended (H. Rept. 104–643);

H.R. 2670, to provide for the release of the reversionary interest held by the United States in certain property located in the Country of Iosco, Michigan, amended (H. Rept. 104–644);

H.R. 3387, to designate the Southern Piedmont Conservation Research Center located at 1420 Experimental Station Road in Watkinsville, Georgia, as the "J. Phil Campbell, Senior Natural Resource Conservation Center" (H. Rept. 104–645);

H.R. 2925, to modify the application of the antitrust laws to health care provider networks that provide health care services (H. Rept. 104–646);

H.R. 3458, to increase, effective as of December 1, 1996, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (H. Rept. 104–647);

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. Rept. 104–648);

H.R. 3673, to amend title 38, United States Code, to revise and improve certain veterans programs and benefits, to authorize the American Battle Monuments Commission to enter into arrangements for the repair and long-term maintenance of war memorials for which the Commission assumes responsibility (H. Rept. 104–649);

H.R. 3674, to amend title 38, United States Code, to clarify the causal relationship required between a veteran's service-connected disability and employment handicap for purposes of determining eligibility for training and rehabilitation assistance, to transfer certain educational assistance entitlements from the Post-Vietnam Era Educational Assistance Program to the Montgomery GI Bill (H. Rept. 104–650);

H.R. 3734, Welfare and Medicaid Reform Act (H. Rept. 104–651);

H.R. 248, Traumatic Brain Injury Act of 1996 (H. Rept. 104–652); and

H.R. 3665, Census of Agriculture Act of 1996 (H. Rept. 104–653). **(See next issue.)**

Speaker Pro Tempore: Read a letter from the Speaker wherein the appointed Representative White to act as Speaker pro tempore for today. **Page H6975**

Church Arson: By unanimous consent agreed to the Senate amendment to H.R. 3525, to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property—clearing the measure for the President.

Pages H6980–82

District of Columbia Revenue Bonds: House passed H.R. 3663, to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities. Agreed to the Davis technical amendment in the nature of a substitute. **Pages H6982–85**

M–F–N Status—People's Republic of China: By a recorded vote of 141 ayes to 286 noes, Roll No. 284, the House failed to pass H.J. Res. 182, disapproving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China.

Pages H6985–H7026

By a yea-and-nay vote of 419 yeas with 1 voting "present", agreed to display an exhibit during debate on H.J. Res. 182. **Page H7014**

U.S. Concerns—People's Republic of China: By a yea-and-nay vote of 411 yeas to 7 nays with 3 voting "present", Roll No. 285, the House agreed to H. Res. 461 regarding U.S. concerns with human rights abuse, nuclear and chemical weapons proliferation, illegal weapons trading, military intimidation of Taiwan, and trade violations by the People's Republic of China and the People's Liberation Army, and directing the committees of jurisdiction to commerce hearings and report appropriate legislation.

(See next issue.)

Independence Day District Work Period: The House agreed to H. Con. Res. 192, providing for the adjournment of the two Houses. **(See next issue.)**

H. Res. 465, the rule which provided for consideration of the concurrent resolution was agreed to earlier by a yea-and-nay vote of 248 yeas to 166 nays, Roll No. 286. **(See next issue.)**

Question of Privilege of the House: The Chair ruled that H. Res. 468, relating to a question of the privileges of the House, did constitute a question of privilege of the House and was in order.

(See next issue.)

Subsequently, agreed to the Army motion to table the resolution (agreed to by a recorded vote of 229 ayes to 170 noes with 7 voting "present", Roll No. 287). **(See next issue.)**

Personal Privilege: Representative Dornan rose to a point of personal privilege and was recognized for one hour. **(See next issue.)**

Transportation and Related Agencies Appropriations: By a yea-and-nay vote of 403 ayes to 2 noes, Roll No. 292, the House passed H.R. 3675, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997. **(See next issue.)**

Agreed To:

The Wolf technical amendment that adjusts funding for Federal Transit Administration formula grant expenses; **(See next issue.)**

The Traficant amendment that expresses the sense of Congress that entities expending funds comply with the Buy America Act, purchase American made equipment and products to the greatest extent practicable, and further prohibits contracts with persons falsely labeling products as made in America;

(See next issue.)

The Hunter amendment that limits loan guarantees for international railroad projects until studies relating to criminal activities have been completed and made available to the public; and

(See next issue.)

The Collins of Georgia amendment that prohibits the use of funding by the National Transportation Safety Board to determine the feasibility of allowing individuals who are more than 60 years of age to pilot commercial aircraft (agreed to by a recorded vote of 247 ayes to 159 noes, Roll No. 291).

(See next issue.)

Rejected:

The Oberstar amendment that sought to increase funding for the Federal Aviation Administration by $1 million and decrease funding for the Department of Transportation Inspector General by $1 million (rejected by a recorded vote of 193 ayes to 212 noes, Roll No. 288); **(See next issue.)**

The Filner amendment that sought to provide authority for $490,000 in loan guarantees for the Railroad Rehabilitation and Improvement Program (rejected by a recorded vote of 162 ayes to 238 noes, Roll No. 289); **(See next issue.)**

The Andrews amendment that sought to require that States conduct a cost-benefit analysis when contracting for surface transportation projects usually performed by employees of the State (rejected by a recorded vote of 123 ayes to 280 noes, Roll No. 290). **(See next issue.)**

A point of order was sustained against language that sought to authorize $5 million to the Coast Guard to establish a discretionary boating safety grant program; **(See next issue.)**

The Gutknecht amendment was offered, but subsequently withdrawn that sought to apply a 1.9 percent reduction to all discretionary funding.

(See next issue.)

Designation of Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Morella to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Monday July 8. **(See next issue.)**

Meeting Hour: Agreed that when the House adjourns on Monday, July 8, it adjourn to meet at 12:30 p.m. on Tuesday, July 9 for morning hour debates. Agreed that when the House adjourns on Tuesday, it adjourn to meet at 9:00 a.m. on Wednesday, July 10. **(See next issue.)**

Prime Minister of Israel: Agreed that it be in order at any time on Wednesday, July 10 for the Speaker to declare a recess, subject to the call of the Chair, for the purpose of receiving in joint meeting His Excellency Binyamin Netanyahu, Prime Minister of Israel. **(See next issue.)**

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of July 10.

(See next issue.)

Extension of Remarks: Agreed that for today all members be permitted to extend their remarks and to include extraneous material in that section of the record entitled ''Extension of Remarks''.

(See next issue.)

Resignations—Appointments: Agreed that notwithstanding any adjournment of the House until Monday, July 8 the Speaker and the Minority Leader be authorized to accept resignations and to make appointments authorized by law or by the House.

(See next issue.)

Recess Filing of Committee Report: It was made in order that the Committee on Small Business be permitted to file its report on H.R. 3158, the ''Pilot Small Business Technology Transfer Program Extension Act of 1996'', before 4:00 p.m. on Wednesday, July 3. **(See next issue.)**

Senate Messages: Messages received from the Senate appear on pages H6975 (continued next issue).

Quorum Calls—Votes: Four yea-and-nay votes and six recorded votes developed during the proceedings of the House today and appear on pages H7014, H7025–26 (continued next issue). There were no quorum calls.

Adjournment: Met at 12:00 p.m. and pursuant to the provisions of H. Con. Res. 192, adjourned at 1:16 a.m. on Friday, June 28 until 12:00 noon on Monday, July 8.

Committee Meetings

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS

Committee on Appropriations: Ordered reported the Treasury, Postal Service, and General Government appropriations for fiscal year 1997.

ONE-CALL NOTIFICATION PROGRAM

Committee on Commerce: Subcommittee on Energy and Power held an oversight hearing on the One-Call Notification Program. Testimony was heard from Representative Franks of New Jersey; Richard Felder, Associate Administrator, Pipeline Safety Research and Special Programs Administration, Department of Transportation; Robert Chipkevich, Chief, Pipeline/Hazardous Materials Division, National Transportation Safety Board; and public witnesses.

PATIENT RIGHT TO KNOW ACT

Committee on Commerce: Subcommittee on Health and Environment approved for full Committee action amended H.R. 2976, Patient Right to Know Act of 1996.

CORPORATE AMERICA—WAR ON DRUGS

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on Corporate America and the War on Drugs. Testimony was heard from public witnesses.

CASTRO'S CUBA—HUMAN RIGHTS VIOLATIONS

Committee on International Relations: Subcommittee on International Operations and Human Rights and the Subcommittee on the Western Hemisphere held a joint hearing on Human Rights Violations In Castro's Cuba: The Repression Continues. Testimony was heard from Representative Diaz-Balart; Michael Rannenberger, Coordinator for Cuban Affairs, Department of State; and public witnesses.

FOREIGN BUILDING OPERATIONS

Committee on International Relations: Subcommittee on International Relations and Human Rights held a hearing on Foreign Building Operations. Testimony was heard from the following officials of the Department of State: Patrick Kennedy, Assistant Secretary, Bureau of Administration; and Jacquelyn L. Williams-Bridgers, Inspector General; and Benjamin Nelson, Director, International Relations and Trade Issues, GAO.

MISCELLANEOUS MEASURES; OVERSIGHT

Committee on the Judiciary: Subcommittee on Commercial and Administrative Law approved for full Committee action the following resolutions: H.J. Res. 113, granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, MD, and Mineral County, WV, entered into between the States of West Virginia and Maryland;

and H.J. Res. 166, granting the consent of Congress to the mutual aid agreement between the city of Bristol, VA, and the city of Bristol, TN.

Prior to this action, the Subcommittee held a hearing on these resolutions. Testimony was heard from Senator Sarbanes; Representatives Mollohan; Bartlett of Maryland; Boucher and Quillen; Herbert Sachs, Executive Director, Interstate Commission on the Potomac River Basin; Lt. Col. Thomas Turner, Deputy Superintendent, Natural Resources Police, State of Maryland; and William B. Daniel, Assistant Chief, Law Enforcement Section, Department of Natural Resources, State of West Virginia.

The Subcommittee also held an oversight and reauthorization hearing on the Negotiated Rulemaking Act. Testimony was heard from Joseph A. Dear, Assistant Secretary, Occupational Safety and Health Administration, Department of Labor; Wilma Liebman, Deputy Director, Federal Mediation and Conciliation Service; Neil B. Eisner, Assistant General Counsel, Regulation and Enforcement, Department of Transportation; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Crime held a hearing on the following bills: H.R. 3565, Violent Youth Predator Act of 1996; and H.R. 3445, Balanced Juvenile Justice and Crime Prevention Act of 1996. Testimony was heard from the following U.S. Attorneys, Department of Justice: Karen Schreier, District of South Dakota; and Charles Wilson, Middle District of Florida; Jeff Sessions, Attorney General, State of Alabama; Elizabeth Weaver, Justice, Supreme Court, State of Michigan; and public witnesses.

WAR CRIMES ACT

Committee on the Judiciary: Subcommittee on Immigration and Claims approved for full Committee action H.R. 3680, War Crimes Act of 1996.

TACTICAL AVIATION PROGRAMS

Committee on National Security: Subcommittee on Military Procurement and the Subcommittee on Military Research and Development held a joint hearing on tactical aviation programs. Testimony was heard from the following officials of the Department of Defense: Paul Kaminski, Under Secretary, Acquisition and Technology; and Gen. Joe Ralston, USAF, Vice Chairman, Joint Chiefs of Staff and Chairman, Joint Requirements Oversight Council; the following officials of the National Security Division, CBO: Cindy Williams, Assistant Director; Lane Pierrot and JoAnn Vines, both Principal Analysts; and the following of the GAO: Richard Davis, Director, National Security Issues; and Louis Rodriques, Director, Defense Acquisitions.

OVERSIGHT—NATURAL GAS-ROYALTY-IN-KIND PILOT PROGRAM

Committee on Resources: Subcommittee on Energy and Mineral Resources held an oversight hearing on Royalty-In-Kind for natural gas (lessons learned from the Gulf of Mexico pilot program). Testimony was heard from Cynthia L. Quarterman, Director, Minerals Management Service, Department of the Interior; Stroud C. Kelley, Special Counsel, Energy Policy, General Land Office, State of Texas; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on Fisheries, Wildlife and Oceans approved for full Committee action amended the following bills; H.R. 3287, Crawford National Fish Hatchery Conveyance Act; H.R. 3546, Walhalla National Fish Hatchery Conveyance Act; and H.R. 3557, Marion National Fish Hatchery Conveyance Act.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks, Forests and Lands approved for full Committee action the following bills: H.R. 2122, amended, to consolidate the management of the national forests in the Lake Tahoe region from four forests to one; H.R. 2438, amended, to provide for the conveyance of lands to certain individuals in Gunnison County, Colorado; H.R. 2518, to authorize the Secretary of Agriculture to exchange certain lands in the Wenatchee National Forest for certain lands owned by Public Utility District No. 1 of Chelan County, Washington; H.R. 2693, to make a minor adjustment in the exterior boundary of Hells Canyon Wilderness in Oregon and Idaho; H.R. 2709, amended, to provide for the conveyance of certain land to the Del Norte County Unified School District of Del Norte County, California; H.R. 3547, amended, to provide for the conveyance of a parcel of real property in the Apache National Forest in Arizona to the Alpine Elementary School District 7 to be used for the construction of school facilities and related playing fields; H.R. 3147, to provide for the exchange of certain lands in the State of California managed by the Bureau of Land Management for certain nonfederal lands; H.R. 2135, amended, to provide for the correction of boundaries of certain lands in Clark County, Nevada, acquired by persons who purchased such lands in good faith reliance on existing private land surveys; H.R. 2711, to provide for the substitution of timber for the canceled Elkhorn Ridge Timber Sale; and H.R. 2466, amended, Federal Land Exchange Improvement Act of 1995.

COMPETITION FOR FEDERAL CONTRACTS

Committee on Small Business: Held a hearing on Small Business Competition for Federal Contracts: The Impact of Federal Prison Industries. Testimony was heard from Steve B. Schwalb, Chief Operating Officer, Federal Prison Industries, and Assistant Director, Industries, Education and Vocational Training, FBI, Department of Justice; and public witnesses.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

WATER RESOURCES DEVELOPMENT ACT; DEEPWATER PORT MODERNIZATION ACT; CONSTRUCTION RESOLUTION

Committee on Transportation and Infrastructure: Ordered reported amended the following bills: H.R. 3592, Water Resources Development Act of 1996; and H.R. 2940, Deepwater Port Modernization Act.

The Committee also approved an amendment to a previously approved construction resolution.

HEALTH CARE

Committee on Veterans' Affairs: Subcommittee on Hospitals and Health Care concluded hearings on the future of health care provided by the Department of Veterans Affairs. Testimony was heard from Robert Kolodner, M.D., Deputy Chief Information Officer, Veterans Health Administration, Department of Veterans Affairs; RAdm. William R. Rowley, USN, M.D., Commander, Naval Medical Center, Portsmouth, VA; David Baine, Director, Health Care Delivery and Quality Issues, Health, Education and Human Services Division, GAO; representatives of veterans organizations; and public witnesses.

BARRIERS TO ADOPTION

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on Barriers to Adoption. Testimony was heard from Senator DeWine; Representatives Miller of California, and Fawell; Connie Binsfeld, Lt. Gov., State of Michigan; D. Bruce Levy, Administrative Judge, Juvenile Division, 11th Judicial Circuit, Miami, Florida; and public witnesses.

SOCIAL SECURITY TRUST FUND

Committee on Ways and Means: Subcommittee on Social Security concluded hearings on the use of Social Security Trust Fund money to finance union activities at the Social Security Administration. Testimony was heard from Shirley Sears Chater, Commissioner, SSA.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 28, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on the Judiciary, to resume hearings to examine the dissemination of Federal Bureau of Investigation background investigation reports and other information to the White House, 9 a.m., SH–216.

House

Committee on the Judiciary, Subcommittee on Crime, to mark up the following: H.R. 3565, Violent Youth Predator Act of 1996; H.R. 1499, Consumer Fraud Prevention Act of 1995; S. 1507, Parole Commission Phaseout Act of 1995; the Economic Espionage Act of 1996; and H.R. 3676, Carjacking Corrections Act of 1996, 9 a.m., 2237 Rayburn.

Next Meeting of the SENATE

8:30 a.m., Friday, June 28

Senate Chamber

Program for Friday: Senate will continue consideration of S. 1745, DOD Authorizations, with a second cloture vote to occur thereon at 9:30 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES

12 noon, Monday, July 8

House Chamber

Program for Monday: No agenda as yet announced.

Extensions of Remarks, as inserted in this issue

HOUSE

Barton, Joe, Tex., E1190
Blute, Peter, Mass., E1193
Bryant, Ed, Tenn., E1189
Filner, Bob, Calif., E1193, E1195
Franks, Gary A., Conn., E1193
Gillmor, Paul E., Ohio, E1192
Goodling, William F., Pa., E1190
Hyde, Henry J., Ill., E1189
McInnis, Scott, Colo., E1190
Markey, Edward J., Mass., E1193
Morella, Constance A., Md., E1191
Payne, Donald M., N.J., E1191
Roybal-Allard, Lucille, Calif., E1193
Shaw, E. Clay, Jr., Fla., E1194
Spratt, John M., Jr., S.C., E1192
Velázquez, Nydia M., N.Y., E1192
Young, Don, Alaska, E1190

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