topic on Capitol Hill. During the last several weeks we were embarrassed by a debate on the disaster bill. I am afraid that we are going to be embarrassed again by a tax bill that will be disastrous to working families. Senator DORGAN pointed it out.

Why in the world would we be giving tax cuts to the wealthiest Americans, and ignoring folks struggling to get by every day; trying to pay the bills, trying to pay for their day care costs, trying to save a little money for their children, trying to make sure they make the mortgage payment and maybe have enough left over for the utility bills? Why isn't this tax bill helping these families?

Folks making $100,000, $200,000, or $300,000 are the winners in this tax bill. But the folks struggling to get by? The husband and wife both working two jobs are the ones who don't get a break. Why are we doing this? Because there is a clear difference in values between the people who are arguing this bill.

For goodness sakes. I believe, as Senator DORGAN has said, that we should be helping working families at this point in our history. Give those folks a break, and make sure that the families which are being nailed with payroll taxes get a chance to make a living and realize the American dream. And give their kids a chance. But to say that we are going to focus the help in this bill on those who are struggling—get this now, struggling— with the concept of, ''How will I pay my capital gains on the stock that has appreciated so dramatically?'' Are those the folks that you would loose sleep at night over and the ones that we should have some sort of tinge of sadness in our heart for? I don't see it.

When I think of this tax bill I think of working families trying to hang on to a job, and struggling to get by.

Take a look at what this does. This really tells the story, unfortunately, about what this is all about. Think about this. The lower 60 percent of wage earners in America—the lower 60 percent—under the bill being proposed by the Senate Republicans get 12 percent of the tax cuts; 12 percent. More than 87 percent goes to those in the upper-income categories.

The amount of money involved in this is dramatic. If you make over $400,000 a year, we are going to give you a $7,000 tax cut. We want to take care of you. We are afraid you are struggling at $400,000 a year. But if you happen to be making $50,000 a year, I am afraid to tell you that the benefit is going to be about 52 bucks; a buck a week.

What a heart this Senate has for working families.

Let's hope that the people who are writing this bill wake up to the reality that we have to do more than just meet the target of cutting $130 million when it comes to tax cuts. We have to be cutting it in the right way so that working families have a fighting chance.

Let's make sure that when this debate is over that we don't have another disaster bill—a bill disastrous for working families.

The final point I want to make on this is when you take a look at these tax cuts, don't measure them against just this year, or next year, or even 5 years, but against what they will do down the line.

The people bringing this bill are very crafty. They start the tax cuts now. They don't look like much. And, all of a sudden, they start mushrooming—it may be a poison mushroom—when you look at the outyears. We have a dramatically costly bill associated with these tax cuts.

So in the future Members of Congress—the House and the Senate—are going to struggle to balance the budget because of bad decisions and bad policy today. That makes no sense.

I urge my colleagues on the Senate Finance Committee and all of my colleagues in the Senate to think about the working families in this country for a change. For goodness sakes, let's have a tax cut bill that is designed to help them. These are families who, with a tax cut, will turn around and make purchases—who will purchase a new washer and dryer, who will purchase a new home, who will purchase a new car—creating jobs and creating opportunities.

That is what this is all about.

I thank my colleague, Senator DORGAN, for requesting the floor at this propitious moment in the debate on this bill. I hope that our message will be delivered through the people of this country, and to all of our colleagues.

Mr. DORGAN. Mr. President, I yield back the remainder of our time and make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. SHELBY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 87, S. 858, the intelligence authorization bill.

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SHELBY. Mr. President, I ask unanimous consent that the privileges of the floor be granted to the following members of our staff. We have a list of them: Alfred Cumming, Melvin Dubee, Peter Flory, Lorenzo Goco, Joan Grimson, Andy Johnson, Taylor Lawrence, Ken Myers, Suzanne Spaulding, Christopher Straub, Christopher Williams, Peter Dorn, Bill Duhnke, Emil Francona, Art Grant, Patricia Hanback, Ken Johnson, Don Mitchell, Randy Schieber, Don Stone, Linda Taylor, and James Wolfe.

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

Mr. SHELBY. Mr. President, the intelligence authorization bill is before the Senate at this time.

This bill was unanimously voted out of the Intelligence Committee on June 4. It was then referred to the Senate Armed Services Committee and was favorably reported without amendment yesterday.

This bill will authorize appropriations for intelligence and intelligence-related activities of the U.S. Government. I am pleased to report to the Senate today that I have worked very closely with Senator KERREY, the vice chairman of the committee, in drafting this bill. We have crafted, Mr. President, what we believe is a bipartisan bill that received the full support of all Republican and all Democratic members of the Intelligence Committee.

I am proud that the actions we have taken with this legislation are comprehensive and that we have taken some bold steps to implement four priorities to posture the intelligence community for the future.

Mr. President, it is extremely fortuitous that we are bringing the intelligence authorization bill to the floor this week when we have seen a great intelligence success recently. It is not often that the dedicated men and women of our intelligence agencies enjoy public recognition for their work. They understand that. But yesterday, all Americans were gratified to learn of the successful apprehension of Mir Aimal Kansi and his transport to the United States to stand trial for the brutal murder of two CIA employees and the wounding of three others outside the CIA headquarters several years back.

I am extremely proud of our intelligence community in their work here. The Kansi arrest was the result of over 4 years—4 years—of painstaking and dedicated investigative and intelligence work by the CIA, the FBI, and others.

Together with my colleagues on the Intelligence Committee, I was briefed on the details of this successful mission yesterday. While I cannot comment on the operation itself, I can share with my colleagues, as Senator KERREY would, and the American people, that it was conducted with great professionalism and personal courage.

The success of this operation should serve as a warning to others, those who in the past have attacked Americans and those who might be contemplating such actions, that America will take action to bring the alleged perpetrators to justice wherever they are and whatever the cost.

To the families of those who died and to those who were wounded, we know that this arrest cannot return your loved ones or heal your wounds. We hope, however, that you derive consolation from seeing the accused killer brought to this country for trial.

The legislation before us today is made up of words and numbers on paper. As yesterday's events remind us, the work of our intelligence and law enforcement professionals takes place in the real world, in flesh and blood.

While the cold war is, indeed, over, there are still many forces in the world today that threaten our national security and our citizens and require the constant vigilance of our intelligence community. That is why we have authorized a significant level of funding for the continued operation of the intelligence community's activities.

I believe it would be inappropriate, Mr. President, to reveal this exact level of funding, not because we do not want the American people to know how much is invested in intelligence activities for their protection, but, rather, we want to protect the level of our investments from foreign intelligence services and leaders of rogue states who would analyze trends in these investments to help guide their decisions about when to strike with terrorism or aggression against their neighbors, perhaps our own citizens.

I now would like to take a few minutes to summarize the major priorities and the actions we have taken with this legislation.

We have had to face some tough choices, as all of us have in the Senate, in the allocation of resources to meet the critical priorities that have been set for the intelligence community.

In setting the authorization level for intelligence, we have looked across the combined request for intelligence that is broken up into three major categories, and they are the National Foreign Intelligence Program of the Director of Central Intelligence, the Joint Military Intelligence Program of the Secretary of Defense, and the Tactical Intelligence and Related Activities Program of the military services.

The Intelligence Authorization Act includes authorization for each of these categories. With this legislation, Mr. President, we continue to lay the groundwork for the intelligence community of the 21st century, one that is retooled and I believe that is right-sized.

In putting together this authorization, the committee identified nine key areas that will contribute to this effort. We drafted an authorization bill that will better focus, we believe, the intelligence community's resources on these areas. I call the first five areas the five C's: counterterrorism, counterproliferation, counternarcotics, counterintelligence, and covert action. In each of these areas our bill includes additional resources to aggressively tackle these difficult missions in the world.

We also examined four other areas with a view toward long-term investments that would place our intelligence agencies on a stronger footing as we enter the 21st century. These included: A stronger commitment to advanced research and development to maintain our technological edge; improvement in the tools and skills of our clandestine service personnel; new approaches to infiltrating and assessing hard-target countries; and enhancements to our analytical and information warfare capabilities.

We have put forward a balanced recommendation for the authorization of a Joint Military Intelligence Program that, among other things, includes sensor and engine upgrades for our airborne intelligence fleet of RC–135's; it continues the modernization of our manned reconnaissance capabilities; and pushes forward with the new technology of unmanned aerial vehicles.

We have also taken some bold legislative initiatives in this bill. One area on which the Intelligence Committee focused was the need to ensure that classification of information is used effectively to protect sensitive sources and methods or other vital national security interests but does not prevent the flow of information to Congress or, where appropriate, to the American people.

The committee has concluded that a higher priority is needed for the review and for the declassification of intelligence so that families concerned about the murder of a loved one overseas receive vital information consistent with national security concerns. The Committee on Intelligence recently heard from the families of several marines who were murdered in a terrorist attack in Zona Rosa, El Salvador, in 1985. A common refrain in their testimony before the committee was concern about how little information they received from their Government regarding the attack and its perpetrators.

It was from network television, for example, that at least one family first learned of the attack and death of their brother or son. It was also from television broadcasts that several families learned years later that the likely mastermind of the attack had been brought into this country through the U.S. official channels. The committee has pressed the executive branch to provide these families with as much information as possible, but 12 years is a long time to wait.

The committee believes, however, that it is the national interests of the United States to provide information regarding the murder or kidnapping of Americans abroad to their families consistent with intelligence operations.

Moreover, given the difficulty inherent in identifying all relevant information that might be held by different elements of the Government and the likely resistance to providing information that is currently classified, the committee believes this important responsibility must ultimately be vested in a Cabinet-level official.

Therefore, the committee has adopted a provision in this bill requiring the Secretary of State to ensure that all appropriate actions are taken within the Government to promptly identify relevant information pertaining to incidents of violence against Americans overseas.

Mr. President, the Secretary is then required to make the information available to families to the maximum extent possible without seriously jeopardizing sensitive intelligence sources and methods or other national security interests.

This provision, along with others contained in this bill, will enhance the intelligence community's working relationship with the American public that it serves.

I strongly urge my colleagues to vote in favor of the Intelligence Authorization Act for fiscal year 1998.

Mr. President, I also want to remind my colleagues that a lot, if not most, of this bill is classified. But we have some security officers from the Intelligence Committee that are available here today, off the floor, to go into any aspect of the legislation that they think is pertinent.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. KERREY. Mr. President, I rise to join my chairman, the distinguished Senator from Alabama, in offering this year's intelligence authorization bill. It is designed to focus the national intelligence agencies of the United States on today's and tomorrow's threats. The bill is the product of the open, bipartisan process that has long been the hallmark of the Select Committee on Intelligence. It was voted unanimously out of the committee and in accordance with Senate Resolution 400, the founding document of the Intelligence Committee, the bill was reviewed by the Committee on Armed Services.

Before I discuss the bill, I want to say a word about the bipartisan process which created this legislation under Chairman SHELBY's leadership. Unlike many other topics which we consider here each day, there is no Republican agenda or Democratic agenda with regard to intelligence, or at least none apparent to me.

Intelligence is simply the best informed estimate of the truth about something. It knows no party. Every member of our committee seeks the most effective and most efficient methods for the collection, processing, analysis, production, and dissemination of

intelligence. Every member of our committee seeks intelligence collection and operations to be conducted in accordance with American law and American values. We certainly often disagree on which approach to take in a particular situation, but our disagreements are not based on party agendas. We are simply seeking the best performance for the intelligence community and the best outcome for our country. So the chairman and I were united in purpose as we approached this legislation, we came to closure on our disagreements, and we are united in recommending it to the full Senate.

Most of the intelligence authorization is contained in a classified annex which we cannot discuss in open session but which is available to Members in S–407. The schedule of authorizations in that annex comprise the National Foreign Intelligence Program of the United States, together with the Intelligence Committee's markup of the Joint Military Intelligence Program and recommendations to the Armed Services Committee on Tactical Intelligence and Related Activities. The total amount allocated for these programs is not something I can report in open session, and I understand that fact will be the subject of an amendment. But I can say while it is a good value, it is a substantial amount of money.

Before we discuss any amendment which may be introduced in that regard, I want to respond to the concerns of Members who may doubt the need for significant investment in intelligence at this stage of our history.

The best intelligence is simply a necessity for the protection of our people and for the leadership of a nation with America's power and America's responsibilities. Intelligence illuminates policy. Much is made of the strategic crossroads the Nation finds itself at, the need to develop fresh strategies for the new century. You can't make good strategy without good intelligence. Intelligence is also the essential American advantage in war. Victory in battle comes, and will come in the future, from the convergence of three things we saw in the gulf war: American courage and precise American weapons linked to precise American intelligence. The ability to avoid conflict, to gain victory or attain our objectives without risking American lives, is also founded on the inside knowledge gained from intelligence. I can assure my colleagues: intelligence gives America a huge advantage in policymaking, in defense, and in the international aspects of law enforcement.

This year's authorization bill addresses today's and tomorrow's threats. We have focused on international terrorism, the proliferation of weapons of mass destruction, and on narcotics trafficking from foreign countries. We have also stressed counterintelligence and the need for more advanced research and development. Good science is essential to keeping and extending our edge in intelligence, and we do not recommend standing pat in this key area. Our bill also reflects our understanding that despite the good relations we now enjoy with Russia, our intelligence agencies need to continue to pay attention to Russian nuclear warheads which still pose the greatest threat, just in terms of capability, to our national life and the lives of our citizens.

The bill also has some important legislative provisions, which are unclassified. The most important, in my view, is the requirement for the executive branch to make crystal clear to every employee of the national intelligence community that he or she has the right to disclose classified information to the appropriate congressional oversight committee, if the employee believes the information provided gives evidence of wrongdoing. This provision, like the rest of this bill, does not have a partisan basis. We simply intend it to preserve the ability of Congress to perform oversight, which cannot be done without information. In most circumstances, I hope an employee who felt the obligation to report something classified to Congress would first approach his superiors and get their views on how the information should be presented. But in some circumstances, such as when the employee suspects his superiors of complicity in the alleged wrongdoing, the employee should not fear to communicate with the appropriate committee member or cleared staff. The administration does not agree, and believes they have greater authority, by virtue of Executive Order 12356, to control the release of executive branch classified information to Congress. But, given the guarantees in the bill for responsible handling of the received classified information by Congress, I would hope every Member of the Senate would support Congress' right to be informed.

This legislation also provides subpoena powers for the CIA inspector general to obtain documentary evidence in support of investigations. The CIA IG is the only inspector general in any of the major national security agencies who lacks this power, and its absence has adversely affected investigations. We have made clear in the bill that subpoena power will remain strictly in the service of the IG for investigative purposes, and will not be used by or in behalf of any other element of the CIA.

The Intelligence Committee in 1989 originated the legislation creating the CIA inspector general, and in the past year the Audit Team of the Select Committee on Intelligence conducted a review of the performance of the IG and his office. The confidence of the oversight committees and ultimately the public is essential if the IG is to do his job properly. If I may quote from the report accompanying the bill, ''the [IG] office has increased the level of trust and respect from within the Agency, the Oversight Committees, and the Intelligence Community.''

Mr. President, the distinguished chairman has described other highlights of the bill, one of which we learned from the Khamisiya nerve gas experience and is intended to ensure intelligence better supports our deployed forces, and another which enables Americans whose family members are victims of murder or kidnapping overseas to be kept better informed by their Government. These provisions, like others I have already described, are the result of investigations or hearings by the committee and represent, as does the entire bill, the committee's reasoned view of what is necessary to keep the Nation safe and informed in today's world.

Finally, I would like to call the Senate's attention to the arrest and return to the United States, this past Tuesday, of Mir Aimal Kansi for the murder of two CIA employees and wounding of three others at the gate to CIA headquarters several years ago. The CIA and FBI pursued this man to the ends of the Earth, just as former Director James Woolsey promised at the time of the crime. Mr. President, this is a great triumph for U.S. intelligence and law enforcement, working in a harmony which could not have been imagined just a few years ago. All involved in this mission have my deepest respect and congratulations.

The Kansi case underlines the quality and dedication of the remarkable people who work for the American people in our intelligence organizations. They are selfless and patriotic, many of them risk their safety for the sake of our country, and many more are denied the gratification of the ego that comes from being able to talk freely about their professional accomplishments. A lot of our talk here is meaningless without the commitment of people like these to actually do something or learn something for America's benefit. The annual authorization bill debate is a chance to thank them, and I do.

Mr. President, I look forward to the Senate's deliberations on this bill and I yield the floor.

Mr. LEVIN. Mr. President, I rise to support S. 858, the fiscal year 1998 intelligence authorization bill. The legislation comes to the floor having been reported out of the Select Committee on Intelligence earlier this month and approved, on referral, by the Armed Services Committee. As a member of both committees, I believe S. 858 is a responsible, bipartisan bill which reflects our mutual oversight concerns and policy priorities. While there may be some areas in which the two committees disagree, I want to praise Intelligence Committee Chairman RICHARD SHELBY and Vice Chairman BOB KERREY for their efforts in seeking a consensus with the Armed Services Committee on the funding and legislative provisions contained in the bill.

Most notably, S. 858 reflects our shared concern that intelligence community activities must reflect the new, post-cold-war era threats and challenges to U.S. security. Additionally, there is strong agreement between the two committees and the administration that continued emphasis must be given to improving the collection and distribution of timely intelligence to the warfighter in the cockpit, in the tank, aboard ship, and in the command post. One of the overriding lessons learned from the Persian Gulf war was that high quality tactical intelligence, if provided to the warfighter in a prompt fashion can save American lives and carry the day on the field of battle. Improving this qualitative advantage enjoyed by our Armed Forces must remain a top priority in my view and I am pleased to see it reflected in S. 858.

Also included in the intelligence authorization bill is a provision I sponsored asking that the Director of Central Intelligence examine the full range of threats to the United States from weapons of mass destruction, not just the threat from ballistic and cruise missile weapons, which formed the basis of the last intelligence estimate of this kind in 1995. The intelligence threat assessment required by S. 858 will be submitted to Congress annually beginning February 15 of next year and provide us with our first comprehensive understanding of the emerging ''nontraditional'' threat facing our Nation, including the ability of terrorist groups and hostile governments to produce and deliver nuclear, chemical, and biological weapons into the United States, the probability that such an attack would come from ballistic missile, cruise missile, or any other means of delivery, and the vulnerability of the United States to such an attack. One month after the completion of the intelligence community's threat estimate, the President is required to submit a report to Congress identifying how Federal funds are dedicated to defending against this full range of threats. Linking the probability of a certain type of attack using a weapon of mass destruction, such as a terrorist chemical attack versus a Russian ballistic missile attack, with the level of funds being spent to defend against such a threat will be extremely helpful, in my view, as the Senate debates national defense spending priorities in the upcoming years.

In closing, I again want to commend the leadership of the Senate Intelligence Committee for its willingness to work with the Armed Services Committee on the numerous issues of mutual concern, and I look forward to continued cooperation between the two committees as we move into conference with the House of Representatives on our respective bills.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

AMENDMENT NO. 415

Mr. WELLSTONE. 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 Minnesota [Mr. WELLSTONE] proposes an amendment numbered 415.

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

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

The amendment is as follows:

At the appropriate place, insert the following: ''It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.''

Mr. WELLSTONE. Mr. President, I say to my colleagues, we did not formally agree to a time agreement. I know that the policy committees are meeting. I think I will take 20 minutes rather than 15, because I do not think we will have a vote before 2 o'clock, in any case.

Mr. FORD. Mr. President, there will be other amendments, at least one other amendment, before final passage. So that will take us well beyond that. If the Senator would not object, we would probably like to stack his vote, if that would be agreeable?

Mr. WELLSTONE. I say to the Chair, 15 minutes is what we had talked about. I would be pleased to do that. I just remind my colleague, I do not think there will be any votes until 2, in any case.

Mr. KERREY. We will need a consent agreement to set time for the votes.

Mr. FORD. Mr. President, I ask unanimous consent the distinguished Senator from Minnesota have from now until 2 o'clock on his amendment; at the end of that time, no vote will occur until we have an opportunity to work out maybe back-to-back votes. The other one amendment I think we can work a time agreement on.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me just read this amendment because I want colleagues to know exactly what it says. I want them to know what they are voting on, because if there is going to be strong support for this amendment, that's fine. It is a sense-of-the-Senate amendment, but people are on record. This will be a test that I want to use, as a Senator, to look at what we are doing vis-a-vis tax policy. This amendment says:

It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper—

Mr. KERREY. I wonder if the Senator will yield for a unanimous consent to set the other vote? Mr. President, I ask unanimous consent that the only amendments in order to S. 858 be an amendment offered by Senator TORRICELLI regarding funding, an amendment by Senator WELLSTONE regarding tax fairness, and, further, no other amendments be in order, that the amendment offered by Senator TORRICELLI have 40 minutes equally divided, and that the vote on these two amendments be stacked and begin at 2:45.

Mr. WELLSTONE. Mr. President, reserving the right to object, might I inquire if it would be part of this agreement to have no second-degree amendments? Is that correct?

Mr. KERREY. No second-degree amendments on either amendment.

Mr. WELLSTONE. I thank the Chair.

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

Mr. WELLSTONE. Mr. President, I shall go on reading, then, this amendment, that whatever we do by way of this tax legislation ''should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.''

Mr. President, I want colleagues to listen to this because it is my sense that there is going to be strong support for this. I will do everything I can as a Senator to hold my colleagues accountable for their support.

Understand, I say to Democrats and Republicans alike, that if you vote for this, then what we need to do is look at what we are now discussing in the Finance Committee and what came out of the Ways and Means Committee. Look at the Finance Committee tax bill—it is quite unbelievable—if you are at the top 1 percent of the population, making over $400,000 a year, you are going to get a break of a little bit over $7,000 a year. If you are in the top 20 percent of the population, and have an income of $200,000 a year and over, you will get a break of about $3,706. $200,000 and over, you get $3,706; $100,000 to $200,000 —we are not middle class yet, I remind my colleagues—you get $1,440; $75,000 to $100,000, you get $804.

Now look what happens when we get to incomes of $75,000 and below, and more so when we get into the $40,000 to $50,000, $30,000 to $40,000, and $15,000 to $30,000 range. For these hard-pressed people—what do you get? A pittance. Low income families get a dollar a week, if that.

Mr. President, we are talking about a tax bill that provides benefits to people in inverse relationship to need. The less you need, the more you get; the more you need, the more hard pressed you are, the more you are trying to provide for your family, trying to make a decent living and raise your children successfully, the less you get. This is a Robin-Hood-in-reverse policy.

If I could turn to the next chart: here we see that the House bill is even

worse, really, skewed in the favor of higher income Americans. The top 1 percent get $10,000; and then you get down to $40,000 to $50,000, $30,000 to 40,000—they get $167, or $300, or some similar tiny amount.

So, Mr. President, we are giving $10,000 and $12,000 per year tax breaks to upper-income and wealthy people, and then hard-pressed people in the States of Wyoming or Minnesota are getting practically nothing.

I say to my colleagues, this is a sense-of-the-Senate amendment, and maybe people don't want to debate it and maybe people don't want to vote against it. But if you vote for it and then you go and vote for this tax bill, you are going to have to come out with some other data that shows that this tax bill, in fact, is based on some standard of fairness. I haven't seen one shred of evidence to that effect.

The next chart, Mr. President, reflects on the issue of deficit reduction. The chart is from the Joint Tax Committee and the Center on Budget and Policy Priorities—the first two charts were from the Department of the Treasury—and shows how the tax cuts are backloaded. Look at this. We are talking about an erosion of revenue between 2000 and 2017, to the tune of $950 billion.

Mr. President, I have said it before on the floor of the Senate, there is an old Yiddish proverb: you can't dance at two weddings at the same time. You can't be talking about deficit reduction and say you want to invest in education and opportunities for all our citizens and you are for the children and at the same time vote for tax cuts that are going to explode the deficit, and the worst thing of all is provide the lion's share of the benefits to those people who are the wealthiest citizens. Maybe this is the difference between the Democrats and the Republicans. If so, I am pleased to have that division reflected in this vote on this sense-of-the-Senate amendment.

There has been a lot of discussion about higher education. This is near and dear to my heart, because I really do believe that what we do here today has so much to do with whether or not our children or our grandchildren will do well in life and have access to a higher education. Again, coming over from the House Ways and Means Committee, Chairman ARCHER's higher education tax cuts are unbelievable. If you are in the top 1 percent of income earners—just take a look—you are getting up to $600 by way of a break. If you earn around $59,000, you are getting about $100. If you earn around $36,000, you may get $50, and below that, below $30,000 a year, you don't get anything at all.

What kind of tax breaks are we talking about? I am telling you something, this tax bill makes the best argument for campaign finance reform I have ever seen since I have been here in the Senate. If you are a heavy hitter and you are well heeled and you are a player and you are over there in that tax committee room and you are lobbying every day, you are sure going to get your piece. But I have news for you working Americans. I am bringing this amendment to the floor today because it is a wake-up call. You are getting the short end of the stick.

We have been talking about affordable higher education. I must say, even the President's proposal is far better than what we are looking at right now.

I was speaking at Inver Hills Community College last Friday at graduation and talking to the president. It is wonderful. I love going to those graduations, because when you go to the community college graduations, always, at least one time, someone will yell out, ''Way to go, grandma.'' These are different students. They are not 19 years old. Many are older, many are hard pressed, many come from families with incomes under $30,000.

If the tax credit isn't refundable, they are not going to get anything. So let's stop making claims that just do not hold up, and let's not brag about a tax bill that provides a huge amount of assistance to those people least in need. When it comes to those at the very top, this bill provides great breaks. When it comes to middle income, this bill gives a little bit, and when it comes to working families, low- and moderate-income families, this bill gives nothing. And this is called fairness?

So, I say to my colleagues, if you vote for this amendment, then I certainly hope that you will not then separate your votes on the reconciliation bill next week from the words to which you have ascribed today. Some people sort of just pooh-pooh sense-of-the-Senate amendments, and they say it is just a wish list, it doesn't mean anything. I say you are on record.

We have an important piece of legislation out here. I made this a sense-of-the-Senate. I am not talking all afternoon on this, but, by golly, we are focused on tax policy, and we are seeing a bill moving through these committees which is absolutely outrageous. It is no wonder that people in cafes in Minnesota and around the country think there has been a hostile takeover of the Government process. When they find out what this bill does and who benefits and who doesn't, they are going to be furious, and they are going to say the same thing they are saying already, which is, ''Boy, I tell you something, we're locked out. Those folks in the Congress, they do a heck of a good job of responding to the well heeled, but they sure don't do a very good job of responding to our families.''

According to the Treasury Department, on June 17, just look at where we are heading right over here in the Senate Finance Committee. Sixty-five-point-five percent of the benefits of these tax proposals go to earners in the top 20 percent; 10 percent goes to those making $50,000 or under; 5 percent goes to families making between $40,000 and $50,000; 3 percent goes to those making between $30,000 and $40,000; and 1.8 percent goes to families between $15,000 and $30,000 a year. I am actually surprised that they even got 1.8 percent. And the bottom of wage-earners? Nothing. If you earn below $15,000 a year, you get nothing.

Mr. President, again I say to my colleagues, if you vote for this sense-of-the-Senate amendment, that is great, but I don't think you are going to then be able to vote for what is coming out of the Finance Committee or what is coming out of the Ways and Means Committee, unless you come out here with other data, unless you come out here with another analysis as to what the distributional effects are.

If this sense-of-the-Senate is adopted—and I think it will be, or I hope it will be—then I will come out with a tougher amendment on the Department of Defense bill. We are going to have some discussion today on the floor of the Senate about tax policy. I cannot believe the silence on the floor of the Senate. We are going to have a debate about this. This isn't just going to move through next week quickly and silently, as we do with reconciliation bills. People in the country have a right to know how this is going to affect them, who exactly is making the decisions, who exactly is going to benefit, and who exactly gets the short end of the stick. Working families, you get the short end of the stick. Don't you for a moment let anybody tell you that you and your children are getting a heck of a lot of assistance. You are not. But, by golly, if you are wealthy and at the very top, you are going to get a lot by way of assistance.

Mr. President, I ask unanimous consent that a very fine piece by Robert Kuttner in the Washington Post today be printed in the RECORD.

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

[From the Washington Post, June 19, 1997]

CONTENDING OVER CAPITAL GAINS CUTS

(By Robert Kuttner)

For two decades, cutting the capital gains tax has been an object of almost religious fervor for the Republican right. Now the grail seems at last within reach. Only, with the stock market setting new records, the timing is a bit off.

The Republican plan would cut the top tax rate on capital gains from 28 percent to 18 percent and phase in indexing of gains for inflation. These and other tax changes would reduce government's revenue by hundreds of billions of dollars over 10 years. Given bipartisan obsession with budget balance, the revenue cuts would translate directly into cuts in public outlay—in medical care and countless other public programs.

Supposedly, capital gains cuts will help the economy grow. With investment offering greater after-tax rewards, people will save more, invest more and be freer to shift assets to more efficient investments. All of this in turn will make the economy more productive.

But here the timing doesn't compute. The stock market, of course, is setting records. It's hard to argue with a straight face that

the prospect of paying capital gains tax is deterring much productive investment.

Venture capital markets are booming, and new issues are having little difficulty fetching buyers. The overall strength of the American economy and the healthy dollar make U.S. capital markets a magnet for the entire world.

Another old chestnut is that inflation overstates the real capital gain. True, but in a low-inflation environment, the effect of inflation on capital gains is not significant. Stock values have doubled in two years, while inflation has gone up less than 6 percent. Taxpayers with serious money in the market are crying all the way to the bank.

Moreover, if there is a real problem with U.S. capital markets, it is too much trading and not enough patient investment for the long term. Capital gains cuts would make the stock market even more of a traders' market. Indeed, the present capital gains tax is one of the few forces keeping the stock market from becoming a pure casino.

Also, nearly half of the holdings in financial markets are tax-exempt. This includes life insurance portfolios, pension funds, IRAs and Keoughs. Capital gains cuts do nothing to influence these institutional Investors, because they can already trade stocks to their hearts' content and pay no capital gains tax.

One other factor makes this a dubious crusade—the Federal Reserve Board. If the capital-gains cutters have a near-messianic zeal, the Fed has an equally religious conviction that the economy can only grow so fast.

The economy's supposed speed limit is about 2.5 percent per year. Whenever the growth rate exceeds that pace, the Fed scents inflation and raises interest rates. So even if capital gains cuts did allow more investment and higher potential growth, you could count on the Fed to nip it in the bud.

The real issue here is not growth but political power—who gets what from government policy. The Republican majority in Congress wants to reward its well-heeled friends.

Despite misleading claims of ''people's capitalism,'' ownership of financial wealth remains astonishingly concentrated. Roughly 40 percent of stocks and bonds are held by the richest one percent of Americans. The next 5 percent own most of the rest. These are the people benefiting from the present uneven boom, and these people will profit from capital gains cuts.

The stocks and bonds held on behalf of non-wealthy Americans—mostly in pension plans, annuities and life insurance savings—are already tax-exempt. So a capital gains cut will do nothing for them, unless you think it will boost the value of stocks generally. But a lot of smart people think the market is already dangerously overvalued.

The Democrats, rather belatedly, are weighing in with an alternative tax plan. It will cost roughly the same $85 billion in net tax cuts over the next five years (and much less in the long run), but it will allocate the cuts quite differently.

The Democrats' plan offers only modest capital gains cuts and spends more on tax relief for families with incomes below $75,000 through a child-tax credit and tax breaks for tuition. It we are to cut taxes at all, given the quest for budget balance, these priorites make much more sense.

In today's economy, stockholders are doing just fine, thank you. It's other Americans who are struggling. The case that capital gains relief would trickle down and broaden prosperity just hasn't been made.

Mr. WELLSTONE. I thank the Chair. Mr. President, I will read a brief relevant section:

The Republican plan would cut the top tax rate on capital gains from 28 percent to 18 percent and phase in indexing of gains for inflation.

I believe that is not going to be done on the Senate side, and that is an improvement.

These and other tax changes would reduce Government's revenue by hundreds of billions of dollars over 10 years. Given bipartisan obsession with budget balance, the revenue cuts would translate directly into cuts in public outlay.

That is another way we can do it with the erosion of revenue, either the deficit explodes or we make further cuts in health care and education.

Supposedly, capital gains cuts will help the economy grow. With investment offering greater after-tax rewards, people will save more, invest more and be freer to shift assets to more efficient investments. All this in turn will make the economy more productive.

But, Mr. President, it is not like people's stockholdings are not doing well.

Stock values have doubled in two years, while inflation has gone up less than 6 percent. Taxpayers with serious money in the market are crying all the way to the bank.

Who are we trying to help here? Wall Street investors and bondholders are doing just great. They are doing fine. I think the real issue is political power. The real issue is political power. Who has the say? Who are the well-heeled? Who are the folks who are well represented? But working families and their children get the short end of the stick.

Mr. President, I have a June 16 piece in the New York Times by David Rosenbaum. I ask unanimous consent that this be printed in the RECORD.

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

[From the New York Times, June 16, 1997]

TAX BILL'S COMPLEXITIES OFTEN AID WEALTHY

(By David E. Rosenbaum)

WASHINGTON—''Beset with invisible boomerangs.''

That's the way Justice Robert Jackson of the Supreme Court described the hidden dangers of tax laws in a 1952 opinion.

The bill the House Ways and Means Committee approved last week is a good illustration of what Jackson was talking about.

Take, for example, a provision in the bill that would exempt from capital-gains taxation up to $500,000 of the profits a couple made from the sale of their home but would set the exemption for a single person at $250,000.

That caused great mirth among several of the lawyers, lobbyists and accountants who spent breaks in the committee's sessions last week trying to puzzle out unintended consequences in the bill the way other people might work on crosswords.

An accountant said he had an elderly client outside Philadelphia who had a house worth more than $1 million and who he knew would look for a marriage of convenience if the $500,000 exemption became law.

''I can just see this guy finding himself an old lady somewhere and getting married and selling his house and then dumping her like a sack of potatoes,'' the accountant said.

A lawyer thought of a corollary: ''Say your husband's on his death bed and you've got this house with a big capital gain. You'd better sell it quick before he dies.''

These people were mostly joking. But they also saw a more serious consequence that was being overlooked in the section of the bill dealing with capital gains, which are profits from the sale of investments.

The bill would lower the top capital-gains tax rate, now 28 percent, to 10 percent for taxpayers with incomes below $41,200 and to 20 percent for those who were better off.

The main beneficiaries of the 10 percent rate, the tax experts said, would not be middle-income taxpayers selling a modest amount of mutual funds. Instead, it would be wealthy families who were selling stock to pay for their children's tuition. They could cut the taxes in half by giving their appreciated stock to their children and having the children sell it, rather than selling it themselves and paying the higher tax because of their higher income.

That is not the only instance in which the bill would give a better tax break to affluent people sending their children to college than it would give to taxpayers who were less well off.

The bill would allow parents to put money into an educational investment account, similar to an individual retirement account, in which interest and dividends would accumulate tax-free. The money could then be withdrawn to pay college expenses.

The Democratic staff of the Ways and Means Committee calculated that a family that could afford to invest $50,000 in such an account when a child was 8 years old would save almost $4,000 a year in taxes on a $22,500 annual tuition bill when the child reached college age.

Under the bill, a family that could not afford to put aside so much money in advance and had to meet the college costs from income and student loans would get a tax break of only $1,500 a year, and that would be available only for the first two years of college.

If all this sounds complicated, it is. That is somewhat embarrassing to the principal author of the bill, Rep. Bill Archer, R–Texas, who is chairman of the Ways and Means Committee and who has made a career of complaining about how complicated the income-tax system is.

Archer commented on the paradox in his opening statement to the committee on Thursday evening. Holding up the 422-page bill, he said, ''When you look at a tax bill that's this thick, you know it's not going to simplify things for the taxpayer.''

Then to make sure no one thought he had changed his stripes, he quickly added, ''This in no way hinders my ultimate goal of abolishing the income-tax system.''

The most ''fabulously complicated'' part of the legislation, said Jeffery Yablon, a prominent tax lawyer in Washington, is the provision that would allow investors to adjust the value of their capital gains to take account of inflation, a process known in tax lingo as indexation.

Here is how it would work. Say an investor bought stock for $100, held it for three years and then sold it for $110, and assume the inflation in overall prices in the economy was a total of 9 percent for the three years.

Under the current law the investor would report a capital gain of $10. But if the law allowed indexation, the taxable gain would be only $1.

Sounds simple enough. But here is the problem. Many people buy stock with borrowed money and take a deduction for the interest they pay on their loan. So if the investor borrowed the money at an interest rate of 4 percent, his tax statement would show a loss of $3 ($1 profit minus $4 deduction), although he had actually made a profit on his investment even after adjusting for inflation.

Mr. WELLSTONE. I quote:

The bill would lower the top capital-gains tax rate, now 28 percent, to 10 percent for taxpayers with incomes below $41,200 and to 20 percent for those who were better off.

The main beneficiaries of the 10 percent rate, the tax experts said, would not be middle-income taxpayers selling a modest amount of mutual funds. Instead, it would be wealthy families who were selling stock to pay for their children's tuition. They could cut the taxes in half by giving their appreciated stock to their children and having the children sell it, rather than selling it themselves and paying the higher tax because of their higher income.

That is not the only instance in which the bill would give a better tax break to affluent people sending their children to college than it would give to taxpayers who were less well off.

Well, Mr. President, this happens every way you look at it.

The Center on Budget and Policy Priorities talks about the children's tax credit. I don't know what is going to happen. I understand Chairman ARCHER and the Republicans are changing their minds. Good. The more we speak out, the better chance we have of other people changing their minds. That is why I am on the floor today.

The Senate did an analysis based on data from the Congressional Budget Office that show that the child credit, given where it was heading, where EITC is essentially used to offset it, that there are 28 million children, 2 of every 5, who will receive no child tax credit because their incomes would not be high enough to qualify. Because their incomes won't be high enough to qualify? Unbelievable.

You have a tax bill that is going to give a child tax credit, all in the name of helping families, but not if you are in the bottom 40 percent of the population. Unbelievable. Absolutely unbelievable.

Let me just simply go back to this amendment, because I have been here now long enough to realize what I think is happening, and I just want to be very honest with my colleagues, all of whom I appreciate whether or not we agree or disagree on other things. I bring this amendment to the floor to essentially sound the alarm, because we have tax bills that are absolutely unbelievable. There is no standard of fairness.

Ninety-nine percent of the people in any cafe in any of our States would say, ''What? No, can't be; it can't be. We were thinking about tax cuts that would provide us with some relief. You mean, this is going to people with incomes over $400,000 a year and over $200,000 a year, and they get the lion's share of the benefits and hardly anything comes to us, those of us where both are working and we are making $35,000 a year? Say what? No, can't be, Senator WELLSTONE.''

Well, it is.

Or families are going to be saying in Minnesota, ''Wait a minute, I heard higher education was going to be more affordable. Wait a minute, you are saying to me now basically folks with IRA's are going to get the breaks and the breaks will mainly go to high-income people? And, by the way, the tax credits aren't going to be refundable, so if we are making $28,000 a year we'll be cut out?'' I meet these students all the time at community colleges. You have a woman or a man, she is 40, he is 45, they are going back to school, but their income is $28,000. They are not going to get a thing, hardly a thing. People are going to say, ''What? That's not what we understood was going to be the case.''

So, I ask my colleagues to bring out other data, other charts—I would be delighted for them to do so. I have about 2 minutes remaining. Let me read this again—

It is the sense of the Senate that any tax legislation enacted—

Just for staff who are listening or colleagues listening—

by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers * * *

By the way, I don't think anybody in the Congress will say middle-income taxpayers are $250,000 a year. We all know what we are talking about here:

and that any such legislation should not disproportionately benefit the highest income taxpayers.

If my colleagues vote for this sense-of-the-Senate amendment, I will be delighted. Then I will come back with a slightly tougher one on the next bill, and if I get a strong vote for that, I will be delighted as well. But I want to tell you something, sense of the Senate or not, you are on record. You are on record and people in the country are going to be taking a close look at what we are about, and they are going to ask the question whether this tax relief is going to us or is it basically going to the same folks that all too often are the ones who always get the lion's share of the benefits.

This is all about political power, who decides, who benefits and who sacrifices. The folks who are benefiting are at the very top of the economic ladder, and the folks who are really paying the price are the people most in need of the assistance.

So, we will have this vote later on. Maybe people may vote against it, in which case you don't agree with this proposition. If you vote for it, don't think that your vote is just symbolic. I will have a tougher amendment on the next bill and all next week, any way I can, I will be talking about what you are on record for and how that is opposed to what is coming out of these tax committees.

Mr. President, I assume Democrats are going to have an alternative, in which case it will be good, because then people will say there are differences between the parties and those differences matter.

Mr. President, I ask unanimous consent for 30 more seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I think that this debate is healthy for the body politic. People don't want to see us bitterly angry, but they do want to see us genuinely debate issues that directly affect them and their children and their families. I am telling you something, this amendment, that is what this amendment is all about. These tax bills, that is what they should be about.

I thank my colleagues for their courtesy.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that immediately following the disposition of the two amendments that we have been talking about, that the bill be read a third time, and the Senate proceed to a vote on passage of S. 858, as amended, if amended.

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

Mr. SHELBY. Also, for the information of all Senators, this now means that all Members can expect up to three consecutive rollcall votes beginning around 2:45 this afternoon.

Mr. President, the committee has received the Congressional Budget Office cost estimate for S. 858. CBO found that the public bill would not affect direct spending or receipts in 1998; thus, pay-as-you-go procedures would not apply to it. In addition, the Unfunded Mandates Reform act [UMRA] excludes from application of the act legislative provisions that are necessary for the national security. CBO determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Mr. President, I ask unanimous consent that the Congressional Budget Office cost estimate for Senate bill 858, the intelligence authorization bill, be printed in the RECORD.

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

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 16, 1997.

Hon. RICHARD C. SHELBY,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 858, the Intelligence Authorization Act for Fiscal Year 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Dawn Sauter.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 858—INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Summary: S. 858 would authorize appropriations for fiscal year 1998 for intelligence activities of the United States government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System (CIARDS).

This estimate addresses only the unclassified portion of the bill. On that limited basis, CBO estimates that enacting S. 858 would result in additional spending of $91 million over the 1998–2002 period, assuming appropriation of the authorized amounts. The unclassified portion of the bill would not affect direct spending or receipts in 1998; thus pay-as-you-go procedures would not apply to it. The Unfunded Mandates Reform Act (UMRA) excludes from application of the act legislative provisions that are necessary for the national security. CBO has determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Estimated cost to the Federal Government: The estimated budgetary effect of S. 858 is shown in the following table. CBO was unable to obtain the necessary information to estimate the costs for the entire bill because parts are classified at a level above clearances held by CBO employees. The estimated costs, therefore, reflect only the costs of the unclassified portion of the bill.

The bill would authorize appropriations of $91 million for the Community Management Account and $197 million for CIARDS. The funding for CIARDS would cover retirement costs attributable to military service and various unfunded liabilities. The payment to CIARDS is considered mandatory, and the authorization under this bill would be the same as assumed in the CBO baseline.

For purposes of this estimate, CBO assumed that S. 858 will be enacted by October 1, 1997, and that the full amounts authorized will be appropriated for fiscal year 1998. Outlays are estimated according to historical spending patterns for intelligence programs.

[By fiscal year, in millions of dollars]

	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION						
Spending under current law:						
Estimated authorization level [1]	102	0	0	0	0	0
Estimated outlays	95	46	22	5	0	0
Proposed changes:						
Estimated authorization level	0	91	0	0	0	0
Estimated outlays	0	50	23	14	5	0
Spending under S. 858:						
Estimated authorization level [1]	102	91	0	0	0	0
Estimated outlays	95	96	45	19	5	0

[1] The 1997 level is the amount appropriated for that year.

Note: The costs of this legislation would fall within budget function 050 (national defense).

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: The Unfunded Mandates Reform Act (UMRA) excludes from application of the act legislative provisions that are necessary for the national security. CBO has determined that all of the provisions of this bill either fit within that exclusion or do not contain intergovernmental mandates as defined by UMRA.

Estimate prepared by: Federal Cost: Dawn Sauter; Impact on State, Local, and Tribal Governments: Pepper Santalucia; Impact on the Private Sector: Eric Labs.

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

Mr. SHELBY. Mr. President, I will be brief on the Wellstone amendment.

I think just about everybody in the Senate would agree that whatever tax bill we enact this year should meet a standard of fairness in the distributional impact on all Americans, on upper, middle and lower taxpayers, as he is talking about. I have no quarrel with the amendment, the Wellstone amendment. I do not believe it belongs on the Senate authorization bill dealing with intelligence activities, but I have no opposition to the content of it or the substance of it.

Mr. WELLSTONE. Mr. President, I thank the Senator for his courtesy and inform him I appreciate him. And after the vote, I think I will ask unanimous consent that the Finance Committee be immediately notified of the result of our vote in the Senate.

Mr. SHELBY. They will be notified.

Mr. WELLSTONE. I thank the Senator.

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized.

AMENDMENT NO. 416

(Purpose: To require an unclassified statement of the aggregate amount of appropriations for intelligence activities)

Mr. TORRICELLI. Mr. President, I have an amendment filed at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI], for himself, Mr. SPECTER, Mr. KERREY, and Mr. BUMPERS, proposes an amendment numbered 416.

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

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

The amendment is as follows:

On page 14, between lines 19 and 20, insert the following:

SEC. 309. REQUIREMENTS FOR SUBMITTAL OF BUDGET INFORMATION ON INTELLIGENCE ACTIVITIES.

(a) SUBMITTAL WITH ANNUAL BUDGET.—Notwithstanding any other provision of law, the President shall include in each budget for a fiscal year submittal under section 1105 of title 31, United States Code, the following information:

(1) The aggregate amount appropriated during the current fiscal year on all intelligence and intelligence-related activities of the United States Government.

(2) The aggregate amount requested in such budget for the fiscal year covered by the budget for all intelligence and intelligence-related activities of the United States Government.

(b) FORM OF SUBMITTAL.—The President shall submit the information required under subsection (a) in unclassified form.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, the Senate is faced with an issue as old as the Republic itself. It is the continuing debate between the public's right to know and the Government's need to retain information only unto itself. It is an old argument, but it is one that has largely been settled through time.

We have decided as a country that the best source of good judgment in this Nation remains with the people and that they should be trusted with the public welfare in having a maximum exposure to the facts and judgments that govern our society.

Indeed, it was that wisdom which led to the first amendment to the Constitution itself, and equally significantly as it led to article I, section 9, clause 7 of the Constitution, which reads:

* * * a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

For a long time, Mr. President, despite these national ambitions, this consistency with our greatest national principles, we as a Congress determined this was not possible because of the dangers of world war and the continuing struggle in the cold war.

It was the judgment of this Congress that even the total aggregate amount of expenditures for our intelligence agencies, including the Central Intelligence Agency, would remain private and not be published and shared with the people.

The end of the cold war has raised this question anew. Not only for the intelligence community, but indeed for all of the U.S. Government. And most of this Government has responded appropriately.

The Defense Department began to share information about programs it was developing, technologies that it possessed. Weapons hitherto unknown were shared with the press and the public. And perhaps predictably that is why since 1980, according to the bipartisan Brown Commission, defense expenditures of the United States in real terms have declined by 4 percent.

Accountability by the people themselves led this Congress to adjust our national priorities to deal with the new emerging security situation internationally. No doubt, an equal reflection of the fact the intelligence community retained privacy of its budget is that the bipartisan Brown Commission found that since 1980 the intelligence community's budget, in adjusted terms, increased by 80 percent.

Mr. President, what we are facing today in honest debate can no longer be concluded to be whether or not adversaries of the United States will gain information about our intentions and abilities of our intelligence community, because our adversaries have neither the means to respond nor probably the ability in all cases to understand the operations of our intelligence community. The only people being shielded from this information are not adversaries, but the taxpayers of the United States.

Indeed, general accountings, in estimates, of American intelligence expenditures appear in all of our major newspapers. Only the exact aggregate numbers are denied, and not denied to adversaries; they are denied to the people of this country who need to make informed judgments as voters, as taxpayers about our national priorities.

So I rise today with an amendment that this Senate has considered before. It is simply this: To publish, not the details of the CIA expenditures, not to reveal their programs, to share no numbers and no estimates on any technology, any element of spending of the intelligence community but one, the total aggregate amount of money spent in the U.S. Government for the Central Intelligence Agency.

This one number would allow the American people, as an informed electorate, to make their judgments on a

comparative basis about whether or not, as compared to defense, social programs, foreign assistance, and the intelligence community, this Congress is making the right judgments.

And yet, it will be argued that our adversaries would have this information and use it for their own purposes. I understood that argument when we were concerned that the Russians, the Soviet Union with all of its capabilities, as our principal adversary would have this information and could adjust their own intelligence programs to respond.

There is no Soviet Union; and the cold war has ended. The decline and change of our national defense expenditures give the best testament to the fact that this Senate has accepted that fact.

Now we face new adversaries, terrorist organizations, a list of pariah states from North Korea to Libya, to Iraq and Iran. And so the question begs itself, what if these nations possessed this one aggregate number, of what value would it be to them? By most press estimates, total expenditures of the Central Intelligence Agency are not only more than the intelligence expenditures of each of those countries, it is more than all those countries combined.

Indeed, the United States, by most published estimates, spends more on its intelligence community than the gross national product of every one of these potential adversaries of the United States. And so for those who will argue that we cannot share this information with the American people, I ask, what is it North Korea would do with this information or Libya or Iran? What possible change would they have in their own programs or their own expenditures? They have not the means to respond or to change.

I repeat in my argument, Mr. President, as I began. There is only one people on this Earth that need this information to make important judgments about their future who are being shielded from it, and it is the people of the United States.

Mr. President, if this argument seems familiar to Members of the Senate, it is because it is not new. This Senate voted on this question in 1991, a sense-of-the-Senate resolution in 1992, and again in 1993.

Indeed, most Members of the Senate who in a matter of moments will vote on this question have already voted in previous years to share this information with the American people.

Eighty members of the House of Representatives have cosponsored legislation to do so.

The Federation of American Scientists have gone to Federal court to compel its release on constitutional principles.

But perhaps most significantly, the President of the United States himself, our Commander in Chief, who has the ultimate authority for the security of the United States, suggested if the Congress would concur, he would release this information.

This Senate on previous occasions has confirmed for the directorship for the Central Intelligence Agency Admiral Turner, Mr. Gates, Mr. Deutch. Each of those CIA Directors themselves have argued that concealing this information serves no purpose and it should be shared with the people.

This Congress has disagreed on this issue before. And so a bipartisan commission, chaired by former Secretary of Defense Brown, and by our former Senate colleague, Senator Rudman, addressed this question in their own report. And they urged the public release of this information.

To my colleagues, when you have voted on this question previously, when Directors of the Central Intelligence Agency, the President of the United States, and a commission charged for this very purpose argues that this single individual aggregate amount of spending should be released, by what possible logic do we continue to shield the American people from these facts?

But if, Mr. President, in their individual judgment my colleagues are still convinced that because of the danger of these new pariah states and the rise of international terrorism, this expenditure must be concealed from our people, I urge them to consider the fact that we are also not the first of the allied nations to face this judgment.

The British Parliament has had this debate. And Britain decided its people should share with this information. The Canadian Parliament, the Australian Parliament, and perhaps most significant, the Israeli Knesset—no nation on Earth is faced with the threat of terrorism more than Israel—but they have decided, in spite of the fact that their program cannot conceivably have our capabilities nor the relative advantage versus their adversaries as we face as opposed to our own, they share this information with the people of Israel.

We remain the exception.

Fifty years since the Second World War when a judgment was made that for national security, a judgment appropriately made for national security, that this information was best concealed, we retain this last relic of the cold war.

Mr. President, this is a national policy to conceal the gross expenditures of the Central Intelligence Agency that has lost its rationale. It is time for this Senate once again, as it has on three previous occasions, to vote to allow the sharing of this information with the American people. But we do so not because we believe it is a compromise with national security that has become necessary, but because indeed many of us believe it would enhance our national security.

Perhaps most significantly in the Brown report was a conclusion that, in the commission's words, ''Most intelligence agencies seem to lack a resource strategy apart from what is reflected in the President's 6-year budget projection. Indeed, until the intelligence community reforms its budget process, it is poorly positioned to implement strategies.''

Efficiency, accountability, proper judgments for national security, like all other aspects of the governance of the United States, are best made under the careful scrutiny of the people themselves. National security is not only the exception, it may be the best rule. It is the lives of the people of this country themselves—from terrorism and from a new group of potential adversaries—that we are charged with protecting. Allow the people of the United States to participate in this judgment.

I urge my colleagues, once again, as you have done on several previous occasions, to join with the previous leadership of the Central Intelligence Agency in concurrence with the commission report that you commissioned to be done, and allow this single number, this one gross expenditure of the Central Intelligence Agency's budget, to be released to the American people.

I yield the floor.

Mr. SHELBY. Mr. President, I rise to oppose the Torricelli amendment. I oppose the public disclosure of the overall level of intelligence funding as proposed by the amendment offered by the Senator from New Jersey.

Mr. President, it does not, I repeat, it does not take an act of Congress to declassify the top line of the intelligence budget as this amendment would do if adopted. The President of the United States has always had and has today the authority to disclose this figure and has always chosen to keep it classified.

Determining classification is the responsibility and is the duty of the Chief Executive of the United States, the President, who is also, as we know, the Commander in Chief. Presidents Truman through Clinton have determined this figure is to remain classified, and I believe we should not overrule that judgment.

The purpose of maintaining a premier intelligence capability is to save lives and to prevent and, if we get in them, win wars. The foundation of an effective intelligence capability, as we all know, is secrecy. Secrecy protects not only the information that we collect, but also the brave people that put themselves at risk to do the collection of it. We are an open and a free society that generally abhors secret dealings by our Government. But in the case of intelligence collection and analysis, secrecy, I believe, is absolutely necessary.

Some of my colleagues argue that the American people have a right to know how much of their money is being spent to defend their Nation's security through intelligence-gathering operations. I assert today that, through its elected officials, the public interests are being effectively served.

As U.S. Senators, all of us we have been elected to represent the interests of our constituents and to act on their behalf. Therefore, the American people do know, in a sense, how much we spend on national security because their elected representatives know. As on many other issues, Mr. President, our constituents have a voice, and it speaks through the Senators and Representatives and the President of the United States.

Some of my colleagues will argue that disclosing the total budget amount will instill public confidence and enable the American people to know what portion of the Federal budget is dedicated to intelligence activities. It appears there is general agreement that the details of the intelligence budget should remain classified, however. I believe that the total budget figure is of no use to anyone but to those who wish to do us harm.

For example, what do the numbers tell our adversaries or potential adversaries in the world? In any given year, perhaps, not a great deal. But while watching the changes in the budget over time, and using information gathered by their own intelligence activities, sophisticated analysts can indeed learn a great deal.

Trend analysis, Mr. President, you are familiar with, is a technique that our own analysts use to make predictions and to reach conclusions. There are hostile foreign intelligence agencies all over the world that are focused solely on gathering every bit of information that they can about our own intelligence-gathering operations and our capabilities. Their ultimate goal is to exploit weaknesses and to deny access and to deceive our own intelligence collectors. Denial and deception is already a serious concern for the intelligence community, and providing our enemies or potential enemies with any insight as to what we spend on intelligence will only make it worse, not better.

Others will argue that the total budget figure is already in the public domain, and we should just acknowledge it. Mr. President, we never, never confirm or deny classified information that may have been published somewhere or spoken by someone. Classified information, as you well know, remains classified even if it wrongly makes it into the public domain.

We will also, Mr. President, hear from those who say disclosure is required by the statement and account clause of the Constitution, article 1, section 9, clause 7. Mr. President, I assert today that the current practice is fully consistent with the Constitution, and it carries forward a tradition of secret expenditures dating back more than 200 years. As a matter of fact, the Supreme Court of the United States observed in the U.S. versus Richardson case, ''Historical analysis of clause 7 suggests that it was intended to permit secrecy in operations.''

Further, Mr. President, the figure is available to all Members of Congress, the U.S. Senate and, the U.S. House to review.

As I reviewed the debate on this topic, I found a statement by my colleague from Rhode Island, Senator CHAFEE, in 1993, with which I totally agree, and which is appropriate today. Senator CHAFEE, the distinguished Senator from Rhode Island, said, disclosing the top line budget figure would only ''frustrate a curious public and politicize the intelligence budget.''

He pointed out further, ''What many proponents of disclosure want to do is to put a bull's-eye on the intelligence budget and hold it up as a target for public ridicule, recognizing full well that we cannot engage in a meaningful public debate regarding intelligence programs.''

I assure you, Mr. President, once the overall number has been released, there would be efforts to amend the overall funding for intelligence in open session. I do not believe it would be good for the Senate, the House, or the American people. Otherwise, I believe President Clinton and Presidents before him would have already declassified the number which they have the right to do.

I yield the floor.

Mr. TORRICELLI. Mr. President, I first thank my colleagues who have joined me in this effort today, most significantly, Senator SPECTER of Pennsylvania, who has led this effort previously and makes this a genuinely bipartisan effort to share this information with the American people, Senator BUMPERS of Arkansas, who has argued so passionately on this cause previously, and, of course, the ranking member of the intelligence committee, Senator KERREY of Nebraska.

Mr. President, I know that many Government agencies would have liked the right to keep the information of their expenditures on a proprietary basis. This logic must have occurred to the Defense Department. Indeed, it was difficult for the Defense Department, at the end of the cold war, to begin to share some of the programs, exhibit some of the technology and the assets it possessed that previously had remained secret.

This Congress and the leadership of this Government made a judgment that the people could not make the proper decisions about their elected representatives and we could not make the proper judgments for them without complete access to information. I want to remind my colleagues, we have faced this issue previously in 3 different years since the end of the cold war, and on each of those occasions this Senate has voted, even if contained in other legislation, either by law or by a sense of the Senate, to permit the publishing of this one single number. If we fail to do so today, it will be a change in the position of this Senate. It will be an inconsistency by a majority of Senators who served in this institution in those previous years.

By what logic would we now change our minds? Because it will endanger an employee of the Central Intelligence Agency? On what basis and by what theory would anyone be endangered because they knew a total amount of money spent by the intelligence community? Because an adversary will change their plans, initiate a new program, compete with the intelligence community of the United States—when I have demonstrated that every and each potential adversary of the United States has a gross national product that is, according to published reports, smaller than the gross expenditures of the American intelligence communities?

Mr. President, I conclude as I began: There is only one group of people who have real need of this information upon which to make decisions, and it is the taxpayers of the United States. This is the last cloud of secrecy necessitated by war, cold war and struggle, that should be removed by this Government. My colleagues have decided to do so before, but we have been frustrated in conference, and our will has not been done. It can be done now.

I urge an affirmative vote to allow the public release of the aggregate expenditures of the United States intelligence community, a single number, published each year. The people of our country can make a good and accurate judgment.

I want to thank again Senator SPECTER, Senator BUMPERS, and Senator KERREY for joining me in this and each of my colleagues who have voted previously on a majority basis to allow its release.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. KYL. Mr. President, I rise in the strongest possible opposition to the Torricelli amendment. My grandmother used to say there are some things that are better not to know, and that is the case with certain highly classified information that is important to the national security of American citizens. One of those things is how much money is spent on our intelligence activities, information which is very useful to our opponents, and not particularly useful to the average American taxpayer.

The public's right to know, as has been pointed out by the distinguished chairman of the Intelligence Committee, is adequately protected by our elected representatives. That is why we have special provisions of law, Mr. President, that call for certain Members of Congress only—not every Member of Congress, but only certain Members of Congress—to be apprised of certain operations and certain details of our intelligence operations.

For example, in an operation such as that which nabbed the terrorist Mir Aimal Kansi just last Saturday, it was known to only a handful of our elected representatives because that is what the law provides. The American people did not need to know that, and, indeed,

it would have jeopardized American lives, the people who were involved in this operation, had there been more widespread knowledge. There is a reason why this information is not public.

The irony is, Mr. President, that revealing the top-line number, the aggregate amount we spend on intelligence, would be of very little use to the average American debating whether or not it is the proper number, but it means a great deal to clever potential adversaries who do trend analysis and extrapolation from year to year to see whether or not there are changes and who try to determine whether or not we have, therefore, made certain commitments to our intelligence that would be of interest to. So on the one hand it doesn't help the average American much. On the other hand, it could easily help opponents a great deal. Unfortunately, there is no way for us to defend that budget. If the top line is $10 billion, or $100 billion, or $50 billion, just hypothetically, whatever number, somebody might say, ''I don't think that is a good number.'' How do you defend that number without getting into all of the sensitive, classified information that comprises the budget? So it is not a good idea.

No other friend or ally of the United States reveals the amount that it spends on intelligence. It would set a terrible, terrible precedent, Mr. President, because right after the aggregate budget was revealed, everybody would realize that, to the average American, that doesn't say much and so the calls would be very quick for more information. ''You gave us the top line; how about the categories on which it is spent?''

This is a slippery slope, Mr. President. Reveal the first number and it will be just a matter of minutes before there will be a call to reveal more information. As a matter of fact, our colleague from New Jersey, in effect, just did that by saying that ''in the area of defense spending we have determined that we need complete access to information,'' to use his quotation. And the defense budget is known. Yes, the defense budget is known, but there is still much about defense that is highly classified. That is the way it needs to be.

Another argument of our friend from New Jersey is that there have been leaks and there is no reason to continue to withhold the information. Of course, the proper policy when there are leaks is to find them. They can be very damaging to our national security. The answer is not to, therefore, let all the information out. The object is to try to prevent those leaks from causing more harm.

In conclusion, Mr. President, if this is such a good idea, one wonders why previous Presidents haven't done it. They have the authority and power to do it, and they have not done it because they know full well that it is not the right thing to do. I just suggest that it would be highly, highly dangerous to the national security interests of the United States, to the lives of Americans who literally put their lives on the line to work operations that are very dangerous that the public never hears about, because, obviously, they can't, or it would compromise the sources and methods by which we obtain information. It would be very dangerous to these people if our potential adversaries could soon begin to pick apart the budget and learn what kind of capabilities we have to use against them.

I urge, in the strongest possible terms, that we vote against the Torricelli amendment and urge my colleagues, when we have that vote, to do so.

Mr. SHELBY. Mr. President, I yield to my friend from Ohio as much time as he might need.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I rise today in strong opposition to the amendment proposed by my colleague and friend from New Jersey. It is an amendment that would disclose the total intelligence budget.

Mr. President, intelligence budgets and programs are kept secret for a good reason: to keep our enemies—and, yes, we still do have enemies—from knowing how much we are spending on intelligence and, of course, on what programs. Mr. President, disclosure of the total budget might well be the first step leading to a demand to disclose individual agency budgets, as my colleague from Arizona has just stated, and inevitably to disclose specific programs.

Mr. President, the reality is that a single budget figure with no additional detail or disclosure of capabilities does not, in my view, provide a sufficient basis for a meaningful public debate. Therefore, I think there would be pressure to disclose more. But such a disclosure would only help our enemies. It would provide them with vital information on our Nation's resource allocations. It would undermine our commitment to early warning for our policymakers, as well as our ability to provide our military the intelligence information that is essential to making them the best in the world.

President Clinton—as the chairman of the committee has already pointed out—has the authority to disclose the total budget on his own. However, he has not done so. President Clinton joins every President since Harry Truman in making that same policy decision—that it is not in the best interest of this country to disclose this dollar figure.

Mr. President, the practice of keeping the budget secret is fully consistent with the Constitution, and it carries forward a tradition of secret expenditures dating back more than 200 years. The Supreme Court observed in U.S. versus Richardson that ''historical analysis of clause 7 suggests that it was intended to permit secrecy in operations.'' It is clear, Mr. President, the Constitution provides for this secrecy.

This intelligence figure is available to all Senators, as is the entire classified schedule of authorizations and classified annex to the Intelligence Authorization Act. Members of the Intelligence Committee, members of the Armed Services Committee, members of the Appropriations Committees in both the House and the Senate do provide vigorous oversight of the intelligence community and of its budget. There is full scrutiny through the people's elected representatives, while at the same time providing protection for intelligence operations.

Mr. President, to disclose the budget would break with tradition. I believe it would help our enemies and it would not provide the public with any meaningful information. For these reasons, Mr. President, I urge my colleagues to vote ''no'' on this amendment.

I believe that little can be gained, but much can be lost over time by this type of disclosure.

I thank the Chair and my colleague from Alabama.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. TORRICELLI. I yield the remainder of our time to Senator SPECTER of Pennsylvania, and I thank him for his leadership.

Mr. SPECTER. Mr. President, I support public disclosure of the overall funding law and would start with the language of the Constitution, which I believe supports that disclosure:

> No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

On the base, that calls for public disclosure. I know some courts have limited that interpretation to what Congress says. But I believe, as a constitutional matter, disclosure ought to be made. And beyond that, as a public policy matter for the Congress, disclosure ought to be made.

In the 8 years I served on the Senate Intelligence Committee—2 years as chairman—it seemed to me that much too much is kept secret, and disclosing the overall amount is not to disclose the programs. We have seen terrorism as the instrumentally for political purposes, replacing war. Intelligence is very important to fight terrorism, and I believe if the American people knew how much money was being spent on intelligence gathering, the people would want more spent and not less.

Just yesterday, the chairman of the House Intelligence Committee took issue with the way the Central Intelligence Agency is being run, saying it is not being run effectively. Much too much is being kept secret, Mr. President. We can protect important sources and methods and means from being disclosed, but still have a great deal more candor for the American people about what is going on in intelligence. When we look at the budget of the CIA or the

FBI for domestic intelligence, those are items which ought to be subject to public debate. The public ought to be demanding more. The public ought to be receiving more. As a very basic first step, it is my sense—having some familiarity with the Intelligence Committee operations and overall budget—that the funding level ought to be disclosed.

I thank the Chair and inquire how much of the 2½ minutes is left.

The PRESIDING OFFICER. There are 19 seconds remaining.

Mr. SPECTER. I leave that to the sponsor of the bill.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. I believe I have consumed all of my time.

The PRESIDING OFFICER. The Senator has 10 seconds.

Mr. TORRICELLI. The 10 seconds I have remaining I yield to the Senator from Nebraska.

Mr. KERREY. Mr. President, I support the amendment offered by Senator TORRICELLI to declassify the aggregate intelligence budget. This body has been on record a number of times over the years as supporting disclosure of the intelligence budget total. Last year the Intelligence Authorization Act as reported by the SSCI and adopted by the Senate required the President to disclose in his annual budget submission to Congress each year the total amount appropriated for all intelligence and intelligence-related activities, that is, the total of NFIP, JMIP, and TIARA, in the current fiscal year and the total amount requested for the next fiscal year. As has happened on each previous occasion that the Senate has voted in favor of disclosure, the provision in last year's bill ultimately was dropped in conference with the House.

The Senate's support for this position dates back at least to the Church committee, in 1976. The following year the Select Committee on Intelligence was established and the members of that committee voted in 1977 for public disclosure of the aggregate intelligence budget. In the years since, the Senate has regularly voted to disclose the aggregate amount of intelligence spending.

Senators will recall that in 1994 we chartered a commission to conduct a comprehensive review of American intelligence. Part of the statutory mandate of this commission was to study the issue of budget disclosure and resolve it once and for all. The Aspin-Brown Commission unanimously recommended that the total amounts appropriated and requested be disclosed. Senators WARNER and Rudman and other traditional opponents agreed. In fact, Senator Rudman and former Defense Secretary Brown would declassify the CIA budget as well in order to show it is only a fraction of the overall budget.

Public disclosure of total budget amount for intelligence is symbolically important: it sends a message that intelligence is a legitimate and open governmental function. It helps to instill public confidence and enables the American people to know what proportion of the entire Federal budget is spent on intelligence, as compared with other functions. Moreover, there is an argument that disclosure is constitutionally required by the statement and account clause of the Constitution (Art. I, Sec. 9, clause 7), which provides that ''A regular Statement and Account of the Receipts and Expenditures of all public money shall be published from time to time.''

Disclosure of the aggregate budget amount will not harm our national security. Disclosure of the top-line number is not sufficient to alert adversaries to deployment of new systems; spending on new systems doesn't occur in 1 year, it's stretched out over a number of years. There has been no history of conspicuous spikes in intelligence spending. It is interesting to note that our major allies disclose their intelligence budgets. The United Kingdom recently decided to disclose the total budgets for MI–5 and MI–6.

The reality is that this number is already in the public domain in approximate terms. The intelligence budget is already widely reported in the press. A congressional committee released the actual numbers for all agencies a couple of years ago by mistake. Even efforts to talk around the budget numbers, by using percentages, for example, instead of actual numbers, have given industrious reporters and analysts sufficient information to extrapolate the dollar figures. Knowledge of the top-line does not give an adversary useful information about intelligence targets, sources, or methods.

Nor has the de facto disclosure of the budget total taken us down the so-called slippery slope of more detailed disclosures. In fact, I believe this disclosure will actually strengthen our ability to protect vital national secrets by bolstering the credibility of our classification decisions—officially revealing the budget total tells the American public that we are using classification to protect vital national secrets, not to conceal information that might be inconvenient to defend. And I think it would not be difficult to defend the size of the intelligence budget, given the complex world we live in today.

For these reasons, Mr. President, I support this amendment and urge my colleagues to do the same.

Mr. SHELBY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4½ minutes remaining.

Mr. SHELBY. I will try to be brief.

Mr. President, as former Director Woolsey of the CIA once said, ''It is impossible to conduct a meaningful debate on the effects of such amendments without explaining the component parts of the intelligence budget.''

Think about that a minute. How much is spent for the CIA? How much is spent for signals intelligence? How much are we spending on satellites, and so on?

It is that discussion which creates the likelihood of disclosure of sensitive intelligence information that would be of benefit to our adversaries.

Mr. President, there are many opportunities to debate and discuss the details of the intelligence budget among the Intelligence, Armed Services, and Appropriations Committees. We all do this. This is not a topic that goes unexamined by the people's representatives in the Senate or the House.

Mr. President, the Senate Intelligence Committee was established to ensure vigorous oversight of our intelligence activities. I believe myself that the committee faithfully represents the American people. Our goal is to maintain a robust intelligence capability while ensuring that our intelligence activities are conducted in accordance with American values and constitutional principles.

The members of the committee take their responsibilities very seriously, and I pledge to the American people that we will continue to represent the best interests of this Nation.

Mr. President, our intelligence capabilities are a critical national asset and, as chairman of the committee, I will not support an effort to disclose classified information when there is no compelling argument to do so. Therefore, I strongly urge my colleagues to oppose the Torricelli amendment.

I yield the remainder of my time.

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

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

VOTE ON AMENDMENT NO. 415

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment to S. 858.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 107 Leg.]

YEAS—99

Abraham	Ashcroft	Biden
Akaka	Baucus	Bingaman
Allard	Bennett	Bond

Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NOT VOTING—1

Daschle

The amendment (No. 415) was agreed to.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that the next two votes be reduced to 10 minutes time limit.

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

Mr. LOTT. Mr. President, also, I would like to include in that consent that there be 2 minutes of debate before each vote, equally divided, so an explanation can be given of those.

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

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that members of the Finance Committee be immediately informed of the result of this vote.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

AMENDMENT NO. 416

The PRESIDING OFFICER. The question now occurs on amendment No. 416, offered by the Senator from New Jersey. We have 2 minutes for debate. The Senator from New Jersey is recognized.

Mr. TORRICELLI. Mr. President, I thank Senator SPECTER and Senator KERREY for joining me in this effort. We asked the Senate to do that which you have done three times before, that which three previous Directors of the Central Intelligence Agency have endorsed, that which the Brown Commission, in a bipartisan review of this issue, has endorsed—that is to share with the American people and the Members of this Congress the total aggregate amount spent on intelligence activities by the U.S. Government. No details, no programs, no internal facts—one aggregate number, so the people can make their own judgments whether the direction and the amount of intelligence spending is appropriate and proper for the U.S. Government. I urge an affirmative vote.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I oppose the public disclosure of the overall level of intelligence funding as proposed by the Torricelli amendment. It does not take an act of Congress to declassify the top line of intelligence spending. The President of the United States has always had the authority to disclose this figure, and has always chosen to keep it classified. Determining the classification is the responsibility and, I believe, the duty of the Chief Executive and Commander in Chief. Presidents Truman through Clinton have determined that this figure is to remain classified and we should not overrule that judgment.

I yield the remainder of my time. I ask my colleagues to vote no on the Torricelli amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The result was announced—yeas 43, nays 56, as follows:

[Rollcall Vote No. 108 Leg.]

YEAS—43

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Cleland
Conrad
Dodd
Dorgan
Durbin
Feingold
Feinstein
Glenn
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Specter
Torricelli
Wellstone
Wyden

NAYS—56

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Daschle

The amendment (No. 416) was rejected.

Mr. SHELBY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THOMAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third and was read the third time.

Mr. SHELBY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the agreement, there will now be 2 minutes for debate equally divided.

Mr. SHELBY. Mr. President, I yield back the minute that was allotted to us.

The PRESIDING OFFICER. The Senator from Alabama has yielded back his time.

Mr. FORD. Mr. President, I yield back whatever time is on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Dakota [Mr. DASCHLE] is necessarily absent.

I also announce that the Senator from South Dakota [Mr. DASCHLE] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. SESSIONS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 109 Leg.]

YEAS—98

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter

Stevens	Thurmond	Wellstone
Thomas	Torricelli	Wyden
Thompson	Warner	

NAYS—1

Harkin

NOT VOTING—1

Daschle

The bill (S. 858), as amended, was passed, as follows:

S. 858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Intelligence Authorization Act for Fiscal Year 1998''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Detail of intelligence community personnel.
Sec. 304. Extension of application of sanctions laws to intelligence activities.
Sec. 305. Administrative location of the Office of the Director of Central Intelligence.
Sec. 306. Encouragement of disclosure of certain information to Congress.
Sec. 307. Provision of information on violent crimes against United States citizens abroad to victims and victims' families.
Sec. 308. Standards for spelling of foreign names and places and for use of geographic coordinates.
Sec. 309. Sense of the Senate.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Multiyear leasing authority.
Sec. 402. Subpoena authority for the Inspector General of the Central Intelligence Agency.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. Academic degrees in intelligence.
Sec. 502. Funding for infrastructure and quality of life improvements at Menwith Hill and Bad Aibling stations.
Sec. 503. Misuse of National Reconnaissance Office name, initials, or seal.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of the Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

(10) The Drug Enforcement Administration.

(11) The National Reconnaissance Office.

(12) The National Imagery and Mapping Agency.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1998, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill ____ of the One Hundred Fifth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1998 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever the Director exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) AUTHORIZATION.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1998 the sum of $90,580,000.

(2) AVAILABILITY OF CERTAIN FUNDS.—Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program shall remain available until September 30, 1999.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Community Management Account of the Director of Central Intelligence are authorized a total of 278 full-time personnel as of September 30, 1998. Personnel serving in such elements may be permanent employees of the Community Management Account element or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Community Management Account by subsection (a), there is also authorized to be appropriated for the Community Management Account for fiscal year 1998 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a).

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Community Management Account as of September 30, 1998, there is hereby authorized such additional personnel for such elements as of that date as is specified in the classified Schedule of Authorizations.

(3) CONSTRUCTION.—Authorizations in the classified Schedule of Authorizations may not be construed to increase authorizations of appropriations or personnel for the Community Management Account except to the extent specified in the applicable paragraph of this subsection.

(d) REIMBURSEMENT.—During fiscal year 1998, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of an element within the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1998 the sum of $196,900,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. DETAIL OF INTELLIGENCE COMMUNITY PERSONNEL.

(a) DETAIL.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the head of a department or agency having jurisdiction over an element in the intelligence community or the head of an element of the intelligence community may detail any employee of the department, agency, or element to serve in any position in the Intelligence Community Assignment Program.

(2) BASIS OF DETAIL.—

(A) IN GENERAL.—Personnel may be detailed under paragraph (1) on a reimbursable or nonreimbursable basis.

(B) PERIOD OF NONREIMBURSABLE DETAIL.—Personnel detailed on a nonreimbursable basis shall be detailed for such periods not to exceed three years as are agreed upon between the heads of the departments or agencies concerned. However, the heads of the departments or agencies may provide for the extension of a detail for not to exceed one year if the extension is in the public interest.

(b) BENEFITS, ALLOWANCES, AND INCENTIVES.—The department, agency, or element

detailing personnel to the Intelligence Community Assignment Program under subsection (a) on a non-reimbursable basis may provide such personnel any salary, pay, retirement, or other benefits, allowances (including travel allowances), or incentives as are provided to other personnel of the department, agency, or element.

(c) EFFECTIVE DATE.—This section shall take effect on June 1, 1997.

SEC. 304. EXTENSION OF APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking out ''January 6, 1998'' and inserting in lieu thereof ''January 6, 2001''.

SEC. 305. ADMINISTRATIVE LOCATION OF THE OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.

Section 102(e) of the National Security Act of 1947 (50 U.S.C. 403(e)) is amended by adding at the end the following:

''(4) The Office of the Director of Central Intelligence shall, for administrative purposes, be within the Central Intelligence Agency.''.

SEC. 306. ENCOURAGEMENT OF DISCLOSURE OF CERTAIN INFORMATION TO CONGRESS.

(a) ENCOURAGEMENT.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the President shall take appropriate actions to inform the employees of the executive branch, and employees of contractors carrying out activities under classified contracts, that the disclosure of information described in paragraph (2) to the committee of Congress having oversight responsibility for the department, agency, or element to which such information relates, or to the Members of Congress who represent such employees, is not prohibited by law, executive order, or regulation or otherwise contrary to public policy.

(2) COVERED INFORMATION.—Paragraph (1) applies to information, including classified information, that an employee reasonably believes to evidence—

(A) a violation of any law, rule, or regulation;

(B) a false statement to Congress on an issue of material fact; or

(C) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

(b) REPORT.—On the date that is 30 days after the date of enactment of this Act, the President shall submit to Congress a report on the actions taken under subsection (a).

SEC. 307. PROVISION OF INFORMATION ON VIOLENT CRIMES AGAINST UNITED STATES CITIZENS ABROAD TO VICTIMS AND VICTIMS' FAMILIES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the national interests of the United States to provide information regarding the murder or kidnapping of United States citizens abroad to the victims, or the families of victims, of such crimes; and

(2) the provision of such information is sufficiently important that the discharge of the responsibility for identifying and disseminating such information should be vested in a cabinet-level officer of the United States Government.

(b) RESPONSIBILITY.—The Secretary of State shall take appropriate actions to ensure that the United States Government takes all appropriate actions to—

(1) identify promptly information (including classified information) in the possession of the departments and agencies of the United States Government regarding the murder or kidnapping of United States citizens abroad; and

(2) subject to subsection (c), make such information available to the victims or, where appropriate, the families of victims of such crimes.

(c) CLASSIFIED INFORMATION.—The Secretary shall work with the Director of Central Intelligence to ensure that classified information relevant to a crime covered by subsection (b) is promptly reviewed and, to the maximum extent practicable without jeopardizing sensitive sources and methods or other vital national security interests, made available under that subsection.

SEC. 308. STANDARDS FOR SPELLING OF FOREIGN NAMES AND PLACES AND FOR USE OF GEOGRAPHIC COORDINATES.

(a) SURVEY OF CURRENT STANDARDS.—

(1) SURVEY.—The Director of Central Intelligence shall carry out a survey of current standards for the spelling of foreign names and places, and the use of geographic coordinates for such places, among the elements of the intelligence community.

(2) REPORT.—Not later than 90 days after the date of enactment of this Act the Director shall submit to the congressional intelligence committees a report on the survey carried out under paragraph (1).

(b) GUIDELINES.—

(1) ISSUANCE.—Not later than 180 days after the date of enactment of this Act, the Director shall issue guidelines to ensure the use of uniform spelling of foreign names and places and the uniform use of geographic coordinates for such places. The guidelines shall apply to all intelligence reports, intelligence products, and intelligence databases prepared and utilized by the elements of the intelligence community.

(2) BASIS.—The guidelines under paragraph (1) shall, to the maximum extent practicable, be based on current United States Government standards for the transliteration of foreign names, standards for foreign place names developed by the Board on Geographic Names, and a standard set of geographic coordinates.

(3) SUBMITTAL TO CONGRESS.—The Director shall submit a copy of the guidelines to the congressional intelligence committees.

(c) CONGRESSIONAL INTELLIGENCE COMMITTEES DEFINED.—In this section, the term ''congressional intelligence committees'' means the following:

(1) The Select Committee on Intelligence of the Senate.

(2) The Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 309. SENSE OF THE SENATE.

It is the sense of the Senate that any tax legislation enacted by the Congress this year should meet a standard of fairness in its distributional impact on upper, middle and lower income taxpayers, and that any such legislation should not disproportionately benefit the highest income taxpayers.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. MULTIYEAR LEASING AUTHORITY.

Section 5 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403f) is amended—

(1) in paragraph (e), by striking out ''without regard'' and all that follows through the end and inserting in lieu thereof a semicolon;

(2) by redesignating paragraph (f) as paragraph (g); and

(3) by inserting after paragraph (e) the following new paragraph (f):

''(f) Notwithstanding section 1341(a)(1) of title 31, United States Code, enter into multiyear leases for lease terms of not to exceed 15 years, except that—

''(1) any such lease shall be subject to the availability of appropriations in an amount necessary to cover—

''(A) rental payments over the entire term of the lease; or

''(B) rental payments over the first 12 months of the term of the lease and the penalty, if any, payable in the event of the termination of the lease at the end of the first 12 months of the term; and

''(2) if the Agency enters into a lease using the authority in subparagraph (1)(B)—

''(A) the lease shall include a clause that provides that the lease shall be terminated if specific appropriations available for the rental payments are not provided in advance of the obligation to make the rental payments;

''(B) notwithstanding section 1552 of title 31, United States Code, amounts obligated for paying costs associated with terminating the lease shall remain available until such costs are paid;

''(C) amounts obligated for payment of costs associated with terminating the lease may be used instead to make rental payments under the lease, but only to the extent that such amounts are not required to pay such costs; and

''(D) amounts available in a fiscal year to make rental payments under the lease shall be available for that purpose for not more than 12 months commencing at any time during the fiscal year; and''.

SEC. 402. SUBPOENA AUTHORITY FOR THE INSPECTOR GENERAL OF THE CENTRAL INTELLIGENCE AGENCY.

(a) AUTHORITY.—Subsection (e) of section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) by redesignating paragraphs (5) through (7) as paragraphs (6) through (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph (5):

''(5)(A) Except as provided in subparagraph (B), the Inspector General is authorized to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary in the performance of the duties and responsibilities of the Inspector General.

''(B) In the case of Government agencies, the Inspector General shall obtain information, documents, reports, answers, records, accounts, papers, and other data and evidence for the purpose specified in subparagraph (A) using procedures other than subpoenas.

''(C) The Inspector General may not issue a subpoena for or on behalf of any other element or component of the Agency.

''(D) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, the subpoena shall be enforceable by order of any appropriate district court of the United States.

''(E) Not later than January 31 and July 31 of each year, the Inspector General shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives a report of the Inspector General's exercise of authority under this paragraph during the preceding six months.''.

(b) LIMITATION ON AUTHORITY FOR PROTECTION OF NATIONAL SECURITY.—Subsection (b)(3) of that section is amended by inserting '', or from issuing any subpoena, after the Inspector General has decided to initiate, carry out, or complete such audit, inspection, or investigation or to issue such subpoena,'' after ''or investigation''.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. ACADEMIC DEGREES IN INTELLIGENCE.

(a) IN GENERAL.—Section 2161 of title 10, United States Code, is amended to read as follows:

"§ 2161. Joint Military Intelligence College: master of science in strategic intelligence; bachelor of science in intelligence

"Under regulations prescribed by the Secretary of Defense, the President of the Joint Military Intelligence College may, upon recommendation by the faculty of the college, confer the degree of master of science in strategic intelligence and the degree of bachelor of science in intelligence upon the graduates of the college who have fulfilled the requirements for such degree.".

(b) CONFORMING AMENDMENT.—The item relating to section 2161 in the table of sections at the beginning of chapter 108 of such title is amended to read as follows:

"2161. Joint Military Intelligence College: master of science in strategic intelligence; bachelor of science in intelligence.".

SEC. 502. FUNDING FOR INFRASTRUCTURE AND QUALITY OF LIFE IMPROVEMENTS AT MENWITH HILL AND BAD AIBLING STATIONS.

Section 506(b) of the Intelligence Authorization Act for Fiscal Year 1996 (Public Law 104–93; 109 Stat. 974) is amended by striking out "for fiscal years 1996 and 1997" and inserting in lieu thereof "for fiscal years 1998 and 1999".

SEC. 503. MISUSE OF NATIONAL RECONNAISSANCE OFFICE NAME, INITIALS, OR SEAL.

(a) IN GENERAL.—Subchapter I of chapter 21 of title 10, United States Code, is amended by adding at the end the following:

"§ 426. Unauthorized use of National Reconnaissance Office name, initials, or seal

"(a) PROHIBITED ACTS.—Except with the joint written permission of the Secretary of Defense and the Director of Central Intelligence, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity, in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary or the Director, any of the following:

"(1) The words 'National Reconnaissance Office' or the initials 'NRO'.

"(2) The seal of the National Reconnaissance Office.

"(3) Any colorable imitation of such words, initials, or seal.

"(b) INJUNCTION.—(1) Whenever it appears to the Attorney General that any person is engaged or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice.

"(2) Such court shall proceed as soon as practicable to the hearing and determination of such action and may, at any time before final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that subchapter is amended by adding at the end the following:

"426. Unauthorized use of National Reconnaissance Office name, initials, or seal.".

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

(The remarks of Mr. COCHRAN pertaining to the introduction of S. 939 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. LOTT. Mr. President, I am very pleased to be able to ask unanimous consent that the Senate now turn to the consideration of Calendar No. 88, S. 936, the Department of Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 936) to authorize appropriations for fiscal year 1998 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 proceeded to consider the bill.

Mr. LOTT. Mr. President, for the information of all Senators, then, the Senate is now considering the defense authorization bill. Several amendments are expected to be offered to the bill; therefore, votes can be expected throughout the remainder of the afternoon and into the night. We will have to get started and see what amendments are available, and then we will expect some votes, but we would like to get as much work done today as we can. And that could take us into the night.

Also, I want to make clear that we do intend for the Senate to resume consideration of the bill on Friday. I do expect rollcall votes on amendments relative to the DOD bill, at least until the noon hour on Friday. But, again, that will depend on exactly what amendments are pending. We recognize Senators do have commitments to go back to their States tomorrow afternoon, and we will try to accommodate that.

But I do think we need to get some work done on this important legislation. A lot of effort has gone into working out a way to be able to bring the DOD authorization bill to the floor. I think we can make some progress, and I encouraged the ranking member and the chairman to see right away if they could get some finite list of amendments that might want to be offered and be considered. Maybe we can get some understanding of when we could get a final vote on this legislation when we come back after the recess.

Next week, we again do intend to bring up the reconciliation spending bill on Monday, as I discussed with the acting minority leader, and we hope to run off time on that bill on Monday. We will talk further about exactly what will happen on Monday. We will do that tomorrow probably just as we wrap up consideration of this bill, complete the spending reconciliation bill Tuesday afternoon or Wednesday, and then go to the tax bill on Thursday, and stay until we finish the tax cut bill.

I do not know exactly how long that will take. We have a very bipartisan effort underway in the Finance Committee. The vote on the spending bill was 20 to 0, and we are working together right now on the tax cut provisions also. I expect it will be a bipartisan process and a bipartisan bill. It is possible it may not take that long, but it is very important legislation and we need to get it done, completed next week—both of those bills.

Assuming we cannot complete the DOD authorization bill tomorrow because of some concerns, and at least one issue that may come up, I know the Democratic leader would want to be here for that, so we may not be able to take that up until after we come back from the recess.

I want to thank the Members for their cooperation in getting this legislation before the Senate now. And I do want to announce that we will expect to complete action on it the week that we come back. Hopefully, it will not take all week, because we have a lot of other bills now that are ready for consideration. It will be the pending business when we come back—if we do not complete it tomorrow—when we come back from the recess.

I hope Senators will come to the floor now and offer their amendments. Some Senators were inquiring, "Why do we need to vote during the middle of the afternoon on Thursday?" I would like to suggest we have votes the rest of the day into tonight, on Friday, and we be prepared next week to work long hours, Monday, Tuesday, Wednesday, Thursday, and Friday, to get our work done. Then we can go to the recess period and feel good about our production.

Would the Senator from Kentucky have any comments?

Mr. FORD. No comments, Mr. President. I appreciate the courtesy that the majority leader has shown me in the absence of the Democratic leader. I am trying to fill in as best I can, and hopefully we can be accommodating. And I am sure the majority leader will be accommodating to us. We both have to work together. I think Monday we can work out something that would be amenable to both sides. Hopefully, tomorrow we might look at the DOD authorization bill with amazement.

Mr. LOTT. Yes.

Mr. FORD. We hope we can do that, I am sure. But there is one amendment that we will have to wait until into July, so we are not going to finish. We could be very close. I hope we could find out how many amendments are out there and maybe get some kind of resolution to how many we might have.

I will be glad to help the majority leader with that.

Mr. LOTT. That would be very helpful, Mr. President.

I thank Senator FORD.

It is a pleasure for me to yield the floor to the chairman of the committee so we can begin the debate.