

to do it the right way, which would be to say to all Americans we are going to give a \$500-per-child tax credit, which the Republicans proposed and which the President proposed, which the Democrats and Republicans voted for, but that tax credit will not be denied the people just because they paid a payroll tax rather than an income tax.

This conference in the next couple of days can do this right or it can do it wrong. I hope they will listen to the voices of some in this country who say, if you are going to give a tax cut, pay some attention to the needs of the middle-income earners in this country who deserve a tax cut, yes, based on income taxes paid, but also based on the higher sales tax they pay every day as they go to work and work hard to support their families.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUTCHINSON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MCCONNELL. Mr. President, what is the pending business?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1998

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 955, making appropriations for foreign operations, export financing, related programs for the fiscal year ending September 30, 1998, and for other purposes.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 955) making appropriations for foreign operations, export financing, related programs for the fiscal year ending September 30, 1998, and for other purposes.

The Senate proceeded to consider the bill.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, my friend and colleague, Senator LEAHY, the ranking Democrat on the subcommittee, is detained down at the White House for the time being. I see his colleague, Senator DORGAN, standing in for him. We will, while Senator DORGAN is here, by mutual agreement, take care of several managers' amendments here at the outset of the discussion of this year's foreign operations bill.

There are a list of eight managers' amendments, which I will refer to and then send to the desk en bloc.

There is the McConnell-Leahy amendment requiring a report on the management of the Russia enterprise fund and prohibiting establishment of a private-public entity to manage the defense enterprise fund activities; a Leahy amendment establishing credit authority for AID; a Leahy amendment allowing funds to be transferred to the Export-Import Bank for NIS activities; a Leahy technical corrections amendment to section 571; a McConnell-Leahy amendment providing authorities to DSAA for the costs associated with the transfer of EDA to Central and East European countries and use of less expensive commercial transport and stockpiles in Thailand and Korea; a McConnell-Leahy amendment providing DSAA authority to obligate funds upon apportionment; a McConnell-Leahy amendment to provide a date for the report on Ukraine; and a Leahy amendment with a technical change on page 92.

AMENDMENTS NOS. 876 THROUGH 883, EN BLOC

Mr. MCCONNELL. Mr. President, I send eight amendments to the desk and ask that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], proposes amendments numbered 876 through 883, en bloc.

The amendments are as follows:

AMENDMENT NO. 876

(Purpose: To improve the performance of enterprise funds)

On page 27, line 15 insert the following new sections:

(Q) None of the funds appropriated under this heading or in prior appropriations legislation may be made available to establish a joint public-private entity or organization engaged in the management of activities or projects supported by the Defense Enterprise Fund.

(R) 60 days after the date of enactment of this Act, the Administrator of AID shall report to the Committees on Appropriations on the rate of obligation and risk and anticipated returns associated with commitments made by the U.S. Russia Investment Fund. The report shall include a recommendation on the continued relevance and advisability of the initial planned life of project commitment.

AMENDMENT NO. 877

At the appropriate place in the bill, insert the following:

DEVELOPMENT CREDIT AUTHORITY

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans and loan guarantees in support of the development objectives of the Foreign Assistance Act of 1961 (FAA), up to \$10,000,000, which amount may be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 and funds appropriated by this Act under the heading "Assistance for Eastern Europe and the Baltic States", to remain available until expended: *Provided*, That of this amount, up to \$1,500,000 for administrative expenses to carry out such programs

may be transferred to and merged with "Operating Expenses of the Agency for International Development": *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to development credit authority) of the Foreign Assistance Act of 1961, as added by section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this paragraph: *Provided further*, That direct loans or loan guarantees under this paragraph may not be provided until the Director of the Office of Management and Budget has certified to the Committee on Appropriations that the Agency for International Development has established a credit management system capable of effectively managing the credit programs funded under this heading, including that such system (1) can provide accurate and timely provision of loan and loan guarantee data, (2) contains information control systems for loan and loan guarantee data, (3) is adequately staffed, and (4) contains appropriate review and monitoring procedures.

AMENDMENT NO. 878

On page 20, line 14, after the word "paragraph" insert the following: "*Provided further*, That up to \$22,000,000 made available under this heading may be transferred to the Export Import Bank of the United States, and up to \$8,000,000 of the funds made available under this heading may be transferred to the Micro and Small Enterprise Development Program, to be used for the cost of direct loans and loan guarantees for the furtherance of programs under this heading: *Provided further*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974".

AMENDMENT NO. 879

On page 97, line 5, strike the words "between the United States and the Government of Indonesia".

On page 97, line 6, insert a comma after the word "sale" and strike the word "or".

On page 97, line 7, after the word "transfer" insert ", or licensing".

On page 97, line 7, after the word "helicopter" insert "for Indonesia entered into by the United States".

AMENDMENT NO. 880

On page 102, line 9, after the word "1998.", insert the following:

EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES

SEC. 575. Section 105 of Public Law 104-164 (110 Stat. 1427) is amended by striking "1996 and 1997" and inserting "1998 and 1999".

SEC. 576. ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES.

(a) VALUE OF ADDITIONS TO STOCKPILES.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by inserting before the period at the end the following: "and \$60,000,000 for fiscal year 1998".

(b) REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act (22 U.S.C. 2341h(b)(2)(B)) is amended by adding at the end the following: "Of the following: "Of the amount specified in subparagraph (A) for fiscal year 1998, not more than \$40,000,000 may be made available for stockpiles in the Republic of Korea and not more than \$20,000,000 may be made available for stockpiles in Thailand.".

SEC. 577. DELIVERY OF DRAWDOWN BY COMMERCIAL TRANSPORTATION SERVICES.

Section 506 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318) is amended—