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House of Representatives

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. LAHOOD].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
July 16, 1997.

I hereby designate the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Joe Clark, pastor, Holy Spirit Catholic Church, Annandale, VA, offered the following prayer:

In the name of the Father, the Son, and the Holy Spirit.

Heavenly Father, grant us in your merciful providence, right judgment in all things.

Help us to grow in virtue: to see as You see, to love as You love, to rule as You rule.

Impart to us Your holy and perfect wisdom that our laws may reflect Your loving plan.

Teach us to be generous servants of Your truth, knowing that it is in giving that we receive.

Perfect us in a freedom ordered to truth, confirm us in justice which leads to peace.

Bestow upon us the virtue of courage: To fight the good fight and to finish the race.

Teach us to serve the common good with loving generosity.

Most Holy God: Father, Son, and Holy Spirit, counsel us to greater reverence for all life from its natural beginning to its natural end.

O Most Holy God, have mercy on us all and forgive us our sins. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. GIBBONS led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

WELCOME TO THE REVEREND JOE CLARK

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

Mr. MORAN of Virginia. Mr. Speaker, while Father Clark's church is actually in the district of the gentleman from Virginia [Mr. DAVIS], it is I who will introduce him.

Father Clark is the pastor of Holy Spirit Catholic Church in Annandale, VA. It may be of some interest that Father Joe Clark is the grandson of the campaign manager and the speech writer for James Michael Curley, the former mayor of Boston. But I am sure that Father Clark is making amends for that by serving his parish very well. Actually, I only say that in jest. I know his grandfather would be very proud of him today as he is rightfully proud of his grandfather. And every Irishman should be proud of all that Mayor Curley did for the Boston Irish.

Father Clark is a modest man of the cloth, but I would like to address a few remarks about someone who is neither, but is in the audience today, Mr. Patrick Troy, who is a guest with Father Clark. Pat Troy deserves to be recognized today.

For the last 35 years he has done a great deal for this country, particularly for the Irish-American community, and on the 150th anniversary of the great potato famine that brought so many Irish into the United States, Mr. Troy should be recognized as one of the most effective representatives of the Irish-Americans in this country.

Twenty-five years ago he started his own radio show in the Washington metropolitan area, and broadcasts the glory and beauty of Irish music to everyone, particularly Irish-Americans, and keeps people posted on Irish-American cultural developments. Fifteen years ago he started a restaurant called Ireland's Own, and the annual St. Patrick's Day parade in Alexandria, VA.

Pat Troy is an indispensable member of the Washington metropolitan area's community. For many, many years he has been absolutely dedicated to the pursuit of peace in Northern Ireland and to the Project Children Program, which brings Irish and Protestant children alike over to the United States. They live together, they work together, they get to know and appreciate each other. They are doing a tremendous amount of good in terms of

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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finding reconciliation in Northern Ireland.

He is also the founder of the John F. Kennedy Division of the Ancient Order of Hibernians in the Washington area, so I do want to recognize Pat Troy for all that he has done for our community and for this country.

INFORMING COLLEAGUES OF THE NEWLY-FORMED MINING CAUCUS

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

Mr. GIBBONS. Mr. Speaker, today I rise to inform my colleagues about the newly formed Mining Caucus, of which I proudly serve as the cochair with my friend and colleague, the gentlewoman from Wyoming [Mrs. CUBIN]. The purpose of the Mining Caucus will be to educate Members on how the wealth of this Nation is produced by the mining industry, which improves the lives and livelihoods of citizens of their districts, and how in turn it is used to sustain the economic growth and job creation of this great Nation.

Nearly 300,000 Americans are employed directly by the mining industry. Indirectly, mining accounts for about 3 million jobs, 397 out of 435 congressional districts have a mining presence. This industry plays a hugely important role in our national economy. I urge my colleagues to join the Congressional Mining Caucus. As a reminder, I would say that if it cannot be grown, it must be mined.

REPUBLICAN CAMPAIGN TO ATTACK WORKING AMERICANS, LABOR UNIONS, AND THE DEPARTMENT OF LABOR

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

Mr. CLAY. Mr. Speaker, I am appalled that the Republican majority has hijacked $1.4 million of public funds to pursue a devious, fully orchestrated campaign to attack working Americans, labor unions, and the Department of Labor. The Republicans are going to spend $1.4 million of tax money to intimidate labor leaders, harass the Department of Labor, and attempt to repeal labor laws that have protected the rights of workers for over a half a century.

This plot was never discussed in a public hearing of the Committee on Education and the Workforce, and it was approved by the House oversight committee without any witnesses testifying to its need. Although the majority is trying to dress up their mission statement, the real attempt is to pursue an extremist antiunion agenda. The Republicans are scheming to attack union members as payback for labor union participation in the 1996 elections. This $1.4 million ill-advised use of taxpayer dollars is aimed at diminishing worker protections under OSHA, the National Labor Relations Act, and the Davis-Bacon Act; mind you, all at taxpayers' expense.

THE EFFECTS OF THE WASHINGTON BUREAUCRACY'S IMPUTED INCOME

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

Mr. TIAHRT. Mr. Speaker, I have gotten a few calls over the past weeks about the Treasury Department's use of imputed income. Imputed income means if you own your own home, you could move out and rent it to another family, and therefore you could be making some more money, and it should be taxed.

There are a lot of taxpayers that are feeling a little bit insulted by this concept that has been developed by a bunch of out-of-touch bureaucrats here in Washington, DC, who think that people can count income that is not really income. Maybe the President can rent his home out for a lot of money, but most people do not own or live in a home that they own free and clear.

Telling the average American families that their incomes are actually $30,000 or more higher than they think is truly bizarre. Telling middle-class families that they are actually rich and therefore do not need some tax relief is just the latest outrage from the bureaucracy in Washington, DC, that does not live in the real world. Most Americans know it is time for some tax relief here in America.

THE SPEAKER'S MAKE-A-WISH SLUSH FUND IS FUNDED BY TAXPAYERS

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

Mr. GEJDENSON. Mr. Speaker, I have an apology to make. When I saw the $7.9 million the majority Republicans were going to put into a slush fund, they call it a slush fund, it is not a slush fund. It turns out it is the taxpayer-funded Speaker's make-a-wish foundation. His first wish is, guess what, class warfare, go after working Americans.

On this side of the aisle the majority has initiated about $50 million of taxpayer investigations. What we have from it I cannot figure out, but I see where they are going. From the first day they took over 3 years ago, they started class warfare. They do it in the tax bill. They do it in their investigations.

They have gone too far. Even Members of the Republican side of the aisle say this last grab of funds to go after working people in America is just wrong. It is going to come back to haunt them. They can spend $50 million of the taxpayers' money. Do not run home and try to tell them you are balancing the budget. The Speaker's make-a-wish funds are funded by the taxpayers. It is a rip-off.

CLASS WARFARE BY DEMOCRATS, WITH IMPUTED INCOME SCHEME RAISING MIDDLE-CLASS AMERICANS' TAXES

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

Mr. GUTKNECHT. Mr. Speaker, let us talk about class warfare. According to the Census Bureau, the median family income in the United States today for a family of four is $47,000 a year. Let me be clear, that is $47,000 American dollars, not Euro-dollars, not imputed dollars, not even bus tokens. We are talking about real money here.

Let us imagine such a family. Let us give them names, Al and Betty Jones, with a son in eighth grade and a daughter going to college this fall. Under our tax relief plan, the Joneses would get to keep an extra $1,900 of their money. Using the imputed income scheme that the Democrats want to use, the Jones' income magically rises from $47,000 to nearly $80,000. Congratulations, Al and Betty, you are now rich. You no longer qualify for family tax relief under the Democrats' own plan.

Worse yet, if we carry this bizarre arithmetic to its imputed conclusion, these rich Joneses would now owe almost $8,000 in new taxes. So instead of getting $1,900 in tax relief under our plan, Al and Betty get a hefty tax hike. I guess that is just the Washington liberal way of keeping up with the Joneses.

DEMOCRATS NOW AGREE THAT THROUGH JOHN HUANG, CHINA ATTEMPTED TO INFLUENCE AMERICAN POLITICS

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

Mr. TRAFICANT. Mr. Speaker, Democrats now agree with Republicans: China tried to influence American politics. No kidding, Sherlock. I think Barney Fife could figure that out.

Check this out. Hip Hing Holdings, a California company that only owns an abandoned parking lot in L.A. and who lost $1 million, gave $67,000 to the Democrat National Committee. Hip Hing got the money from Lippo Group. Lippo Group has ties to China. The money was gotten for Hip Hing from Lippo by John Huang. John Huang worked for Lippo and also worked for Hip Hing. John Huang later worked for the Commerce Department and later worked for the Democrat National Committee, but John Huang now says, ''What is the big deal? I also gave money to the March of Dimes and the Boy Scouts of America.''

Beam me up, Mr. Speaker. John Huang was not hired to raise money for the Boy Scouts; John Huang was hired to raise money to help China. I yield back the balance of all of this mess.

URGING MEMBERS TO DEFEAT AMENDMENTS WHICH WOULD ATTEMPT TO REWRITE THE FARM BILL ON AGRICULTURE APPROPRIATIONS LEGISLATION

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

Mr. EWING. Mr. Speaker, I come here today because today or tomorrow we are going to be taking up the agriculture appropriations bill. There will not be a rule on this bill, and the reason there is not a rule is because the appropriators and the authorizers are together. We know what is good for agriculture.

But there are those in this body who want to rewrite the farm bill on the agriculture appropriations bill, and at the expense of American farm families. In the name of cutting Government, cutting expenses, when the farm bill passed no-cost programs to the Government, they want to change those no-cost programs. That is substantive legislation on an appropriation bill.

Agriculture groups and Members of this body who have agricultural interests in their districts have come together to support America's farming men and women. I hope we will deny those Members their success on those amendments.

□ 1115

REPUBLICAN TAX BILL

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

Mr. LEWIS of Georgia. Mr. Speaker, it is time for Republicans to come clean about their tax bill. Republicans want a tax cut for people working on Wall Street, not people living on Main Street.

Let us take an example. Al works 40 hours a work at the factory. Al works hard and supports his wife and two children on his $25,000 salary. He pays thousands of dollars in taxes. What does Al get from the Republican tax bill? Nothing. Zero. Zip.

Democrats want to give Al and millions of other working families a tax cut. These are the people Democrats want to help. What do the Republicans say about Al? They say Al is on welfare.

Billions of dollars in tax breaks for millionaires. Nothing for Al. Nothing for millions of hard-working American families. That is the Republican plan.

LIBERAL CLASS WARFARE CONTINUES

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

Mr. ROGAN. Mr. Speaker, in response to the preceding speaker, the gentleman from Georgia, I would suggest to him that there are very few people in this country earning $40,000 to $50,000 a year who are employed as the rich on Wall Street. Yet that is exactly how the Democrats in this House view people who earn that much money—rich.

There are two competing philosophies between the major parties. Republicans believe that individuals who work for a living ought to be able to make the decisions on how to spend their money. Democrats who controlled this House for 40 years believe that families do not have the compassion or the wisdom to make those spending decisions, and that we should send more of their money back to Washington so bureaucrats can make those spending decisions. That is their legacy to America during the 40 years they controlled this Chamber.

In each Congress that the Republicans have controlled this Chamber since we took control in 1995, we have cut taxes for American families. That is our legacy to America. It is a legacy that continues with our present tax cut proposal.

INVESTIGATION OF LABOR UNIONS

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

Mrs. MINK of Hawaii. Mr. Speaker, in January of this year I became the ranking member of the House Committee on Education and the Workforce Subcommittee on Oversight and Investigations. I had the promise of the chair of that committee that we would work together closely, that we would coordinate the activities that the Republican majority wanted to pursue.

And thus far, I have gone along. I have cooperated. I have allowed the Republican majority to follow whatever agenda of investigation they wanted to pursue. It was basically a crossroads investigation to see whether money in education and labor were being wisely spent on the idea of what works and what does not work.

Suddenly a week ago we are told that the Committee on House Oversight of the whole House of Representatives has authorized my committee $1.4 million for an investigation that has never been raised in my subcommittee. We have never spent 1 minute on it. I am not against investigations. If there is corruption, let us go after it. If there is abuse of power, let us go after it. But let us not waste taxpayers' money for sheer partisan political purposes.

STICKING IT TO THE MIDDLE CLASS

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

Mr. PAPPAS. Mr. Speaker, I would like to respond to those on the other side who would like to turn Medicare and Social Security into another welfare program. Are they seriously suggesting that the tax credit should count against the payroll taxes that are paid by American workers?

Mr. Speaker, I am not sure if the liberals who are proposing this understand the consequences of what they are proposing. They are proposing that the politicians in Washington, get this, should create a brand new entitlement, the greatest something-for-nothing entitlement of all time.

So instead of people paying their way during their working lives so that their retirement and health care needs will be met in old age, they should not have to pay into the system at all. Let us recap. Pay nothing but collect hundreds of thousands in benefits from a system that everyone else has to support.

Payroll taxes are not income taxes, Mr. Speaker. Payroll taxes are for Social Security and Medicare. Let us not turn Social Security and Medicare into a massive welfare program that sticks it yet again to the middle class.

CAMPAIGN TO INTIMIDATE LABOR

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

Ms. SANCHEZ. Mr. Speaker, last week the Republican leadership engaged in a back room deal to spend $1.4 million in taxpayer funds to investigate labor unions. This funding came from the $7.9 million emergency slush fund which we can now see was set aside by Republicans to finance purely partisan projects.

This abuse of taxpayer funding is intended to intimidate, to coerce and to harass political opponents, Americans who just do not happen to share the same views as the Republican leadership. It will be used to punish working men and working women who depend on employment protection provided by labor representation.

A recent Washington Post poll said that most Americans believe politicians in Washington waste too much time and money in trying to dig up dirt on their opponents. It is no wonder the Republican Congress is better known as the witch-hunt Congress.

SUPPORT H.R. 1333, THE WORKING AMERICANS WAGE RESTORATION ACT

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

Mr. NETHERCUTT. Mr. Speaker, I rise today to issue a challenge to all Members on the other side of the aisle who wish to target tax relief to middle-income Americans. We have heard a lot about that this morning and in the

past few weeks. You may be surprised to learn that 72 percent of working American families pay more in total Social Security payroll taxes than they pay in income tax.

So I commend to my colleagues a bill that I have sponsored called the Working Americans Wage Restoration Act, H.R. 1333. This bill would allow workers earning less than $65,400 to deduct their portion of Social Security payroll tax from their Federal income taxes. This would eliminate the current double taxation of the Social Security tax and put workers on the same level as businesses which are allowed to deduct the payroll taxes as a business expense.

According to the Joint Committee on Taxation, my bill would provide the average two-income family with an additional $1,200. It covers all workers. So I invite my friends on the other side of the aisle, Members who are so concerned about middle income Americans, get on this bill. H.R. 1333.

THE REPUBLICAN TAX PLAN

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

Mr. DAVIS of Illinois. Mr. Speaker, the American people are saying in a clear voice, cut us in or cut it out. That is exactly what the Republican tax plan does. It cuts out millions of working people in favor of the rich.

The Republican plan cuts out Ms. Smith who works all day long in a nursing home in Chicago, but cuts in Mr. Jones, a millionaire. The Republican plan cuts in the 5 percent of the wealthiest people in this country while significantly cutting out the other 95 percent.

I say Ms. Smith deserves a break. Under the Democratic plan Ms. Smith would get that break, along with 91 million other low- and middle-income families.

The Republican plan cuts out children, college students and workers who earn less than $250,000 a year. Under the Democratic plan, these groups are cut in. The Republican plan can be summed up in four words: Show me the money. Those who have it get cut in; those who do not are cut out.

NATO EXPANSION

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

Mr. DUNCAN. Mr. Speaker, the Congressional Budget Office has estimated that NATO expansion is going to cost U.S. taxpayers at least $4.7 billion. Some estimates are much higher, with many analysts suggesting that $15 to $20 billion over the next few years is more accurate. And these estimates were made before it was announced a few days ago that France is not going to pay its share of expansion costs.

All of this really to obligate us to more Bosnia-type situations in the future. Already we have spent many billions over and above our regular foreign aid in Bosnia, Haiti, Rwanda, Somalia, and other places where there was absolutely no threat to United States security.

If you oppose NATO expansion you are called names like ''isolationist,'' but name-calling is simply a way to avoid the merits or lack thereof. Let us be friends with every nation, but this does not mean we should have to pay the bills for every nation. With a $5.5 trillion debt, we simply cannot afford to do this.

As columnist Amos Perlmutter said in yesterday's Washington Times, the debate on NATO expansion should ''alert the American people to the futility, the dangers, and the high cost of this experience designed to establish the President as a great foreign policy leader at the expense of the national interest.''

RESERVE FUND

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

Mr. HOYER. Mr. Speaker, if it operates like a slush fund and is administered like a slush fund, then how should we refer to the leadership reserve?

Last week in an a total sham process, the Committee on House Oversight steamrolled through a $1.4 million allocation from the leadership's $7.9 million slush fund to investigate organized labor's political activities. The reserve fund is supposed to be used under House rules in, and I quote, ''extraordinary, emergency, or high priority circumstances.''

The Committee on House Oversight decided not to fund this request in March. What has happened? I ask my friends, what is the emergency? For whom is this investigation a high priority? Is this strictly a research endeavor, as the majority says? Why then a communications director for $70,000 and a media assistant for $25,000 and four additional attorneys for the committee?

I do not have all the answers but I will ask one more question: If it walks like a witch hunt and talks like a witch hunt?

MEDICARE

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

Mr. DAVIS of Virginia. Mr. Speaker, we have heard other speakers try to explain in simple terms exactly why Medicare is going bankrupt. Today I would like to take the next step: Explain what can be done about it.

First I would like to start with a fundamental principle, a principle that reflects my values and the importance that I would attach to freedom. That principle is: Other things being equal, individual choice is preferable to collective choice. Said another way, I think I know what is best for me and my family better than the government does. It means that I can spend my money better than the government thinks they can spend my money.

Another principle stems from this principle: To override individual choice requires a compelling reason.

So the first step to reform Medicare is to apply those principles to the system. That is why the first reform is to allow seniors more choices in their Medicare and the option in one case to choose medical savings accounts or MSAs. MSA is the best option for many seniors, and they ought to have the opportunity to choose that. I ask my colleagues to help pass this first test, essential Medicare reform.

THE REPUBLICAN TAX PLAN

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

Mr. STUPAK. Mr. Speaker, the Republican majority has approved a tax plan that ignores the facts and ignores the wishes of the American public.

When a U.S. Treasury report revealed that the Republican plan was light on relief for working Americans and heavy on tax breaks for the rich, the Republican response was that the Treasury Department had somehow cooked the books, and they marched on with their plan. When Democrats and 15 million taxpaying families were being cut out of the GOP tax plan, the Republican response was to redefine these families as welfare families, and they marched on with their plan.

House Republicans are marching by themselves. A recent Wall Street Journal/NBC News poll shows more Americans agree with the Democrats than the Republicans on the budget and tax negotiations. This finding was supported by a recent Washington Post/ABC News poll.

Mr. Speaker, it is clear that the only thing being cooked are the tax plans, the GOP tax plans that hurt working Americans and tell untruths about hard working American families. Tax plans that hurt American families shall be rejected by Democrats and America.

ANNOUNCEMENT OF ELECTION RESULTS

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

Mr. BOEHNER. Mr. Speaker, as chairman of the Republican Conference it is my pleasure to announce that we have two new members of our Republican leadership team.

At a conference of Republican Members this morning, we elected a new vice chairman of the Republican Conference, the gentlewoman from Washington, Ms. JENNIFER DUNN. And we

elected the gentlewoman from Ohio, Ms. DEBORAH PRYCE as secretary to the Republican Conference.

We have a unified Republican effort here with these new elections to bring about what the American people are expecting of us: to balance the Federal budget for the first time in 27 years, to reduce taxes for middle income American families, and to solve the impending crisis with Medicare.

It is my pleasure today to bring this news to the House. I look forward to working with Members on both sides of the aisle to do what the American people sent us here to do, and that is their agenda.

□ 1130

TAX FAIRNESS FOR WORKING FAMILIES

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

Ms. VELÁZQUEZ. Mr. Speaker, 2½ years ago the Republicans stood on the steps of the Capitol and signed the Contract With America. Item 5 of the contract was not a bad idea. It called for a $500-per-child tax credit and promised to provide middle class tax relief. I must ask my Republican colleagues why they broke their promise to working families.

These families work hard, pay taxes, and are entitled to tax relief. The Republicans not only made a promise to them, they signed a contract. Now my colleagues across the aisle are trying to say that item 5 of the Contract With America does not apply to everyone. The American Dream Restoration Act, as they call it, will remain just another broken promise.

The Democrats want to provide tax relief to all working families. It is just that simple. I challenge my Republican colleagues to join us in this effort.

TREASURY DEPARTMENT USING DISHONEST ACCOUNTING

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

Mr. SOLOMON. Mr. Speaker, trying to get the truth from the Clinton administration about who benefits from the tax cut package is about as elusive as getting truth from John Huang about fund-raising illegalities in the last election. In both cases we would have to dig a hole from here to China before seeing any daylight.

The numbers being cited from the other side about tax cuts for the wealthy are hogwash. They are phony and dishonest.

Try to explain imputed rental income to my constituents, I ask my liberal friends on the other side of the aisle. Try to explain about their share of unreported and underreported income that the Treasury Department is assigning to all taxpayers, lumping honest Americans who play by the rules with tax cheats.

Try to explain the Wall Street paper profits that the Treasury Department is using to score the plan, whether or not we realize a capital gain or whether or not we even have any stock at all.

Try to defend the scoring that assumes that all the changes are put in effect immediately, even if they know full well that many of them are phased in over many years.

What are we trying to do to the American taxpayers?

REPUBLICAN TAX PLAN FAVORS THE RICH

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

Mr. PALLONE. Mr. Speaker, Democrats have been saying for some time that the Republican tax plan favors the rich at the expense of working Americans. Republicans have tried over and over again to deny the truth, but the media and the American people are catching on.

I want to make reference to sections in an editorial in today's Washington Post entitled ''Tax Trash.'' It says the Republicans have written a tax bill tilted heavily toward the better off. The Democrats, led by the President, have rightly called them on it.

The Republicans, in turn, have adopted a new technique. Rather than argue, as they may have done in the past, about the virtues of the bill, they engage in distortion. The people who wrote this bill are not defending its distributional consequences, they are denying them.

The plain facts are that the bill, over time, would not just mainly benefit the better off but would cost the Government revenues it cannot afford. The bill is certainly written in such a way as to make the revenue loss look small at first and then it soars.

It is not just the Treasury Department that says so. The Congressional Research Service and the vast majority of other analysts are saying the same thing.

Mr. Speaker, we should listen to the Washington Post because it says it all about what the other side is doing.

TREASURY DEPARTMENT'S USE OF FAMILY ECONOMIC INCOME IS A FRAUD

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

Mrs. KELLY. Mr. Speaker, the Treasury Department's use of family economic income is bizarre, unusual, ill-conceived, unconventional, unorthodox, irregular, deceptive, misleading, dishonest, aberrant, divorced from reality, fanciful, factually challenged, preposterous, outrageous, inaccurate, unsupported by common sense, unconscionable, unsubstantiated, brilliantly calculated to distort the truth about the Republican tax plan and, alas, oh so typical of this administration.

In short, the Treasury Department's use of family economic income is a fraud.

Mr. Speaker, what I am hearing from the other side this morning about tax cuts for the wealthy is an insult to the middle class constituents that I represent.

Can we just imagine my going back to my district and scornfully attacking middle class families as ''the rich,'' as somehow morally deficient for thinking they know better how to spend their own money than the politicians in Washington?

I have gotten used to listening to the complete incapacity to understand elementary economics on the other side, but today marks a new low.

A portrait of George Washington hangs behind us. I wonder what he would think about family economic income.

REPUBLICANS DECISION TO INVESTIGATE LABOR DEPARTMENT IS ABUSE OF SLUSH FUND MONEYS

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

Ms. KILPATRICK. Mr. Speaker, well, here we go again. Last week, in the Committee on House Oversight, of which I am a member, with less than a 24-hour notice, which is an abuse of the rules, I find out when I walk in that the House Republicans had decided to spend $1.4 million to investigate the Labor Department, America's hard-working men and women and how they work for their companies.

There has been over $10 million spent this year on investigations by Republicans. Unfortunately, these same leaders in our Congress have cut Medicaid, Medicare, nutrition services, and we can go on and on.

Mr. Speaker, I am a Member of this Congress because I want to work for good jobs and opportunity for young people. I want to stop the witch hunts. And when we can use an abusive slush fund, set aside for just that, to investigate, to the tune just this Congress in this 6 months $10 million, I think the people ought to be outraged.

Let us get to the work of the people.

CONGRESS SHOULD WORK TOGETHER TO HELP WORKING FAMILIES MAKE ENDS MEET

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

Mr. BLUNT. Mr. Speaker, we are here today as part of an effort to really help working families. We need to work together. There are people on both

sides of the aisle that want to help working families. Let us not get confused by the calculations that are being used to determine whether people are rich or not.

We know whether people work or not, we know whether they pay taxes or not. Americans would be amazed to find out that the calculations that are being used to determine their wealth include the rental value of their home. If they own their home or are making payments on their home, the payment on their home is less than their home would rent for. Suddenly, they get a big rental value added to their income. Those things that their employer may have given them as benefits are added to their income.

More than half of the family incomes of teachers, of construction workers, of mechanics would be classified as rich if we calculate family income the way the White House wants to. We cannot do that.

Let us be fair, let us work with each other, let us help working families make ends meet.

LABOR DEPARTMENT INVESTIGATION IS POLITICAL WITCH-HUNT

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

Mr. KIND. Mr. Speaker, as a new member of the Subcommittee on Oversight and Investigations of the Committee on Education and the Workforce, I was surprised to learn last week that the Speaker had just awarded the subcommittee $1½ million out of a political slush fund to conduct an emergency investigation on labor unions and working men and women around the country. First of all, when we are trying to balance the budget, where are we coming up with an additional $1.5 million for a political witch-hunt that will send us on a fishing expedition all over the country. Just another investigation.

Here is a novel idea, if the Committee on Education and the Workforce has an additional $1.5 million, why do we not spend it on education and worker training such as the TRIO Program. That is a program that goes to low-income students to prepare them for higher education learning.

In fact, the two largest universities in my district in western Wisconsin, Eau Claire and La Crosse, service roughly 2,000 low-income students in the TRIO Program. Another $1½ million will double that amount.

I think we should use our taxpayer dollars wisely instead of going on another fishing expedition conducting an unlimited investigation on unwarranted charges.

UNCLE SAM CAN GET BY ON LESS FROM MIDDLE CLASS FAMILIES

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

Mr. RADANOVICH. Mr. Speaker, if we had a rich uncle and we were barely making ends meet, would we be giving him more of our paycheck every 2 weeks? I think that is what we are doing. We are giving Uncle Sam more and more of our hard-earned money every year. Is it not time the rich uncle started letting us keep a little more?

Republicans in Congress think so. We have a tax relief plan that gives taxpayers a break at every stage of life. It helps middle-class families who have been hit hardest by expanding government these past 40 years. It helps middle-class families save for college by providing tax incentives for kids to go to college. It lowers the tax on savings and investment, which means a stronger economy and more jobs. And it reduces the death tax, which means that fewer families will have to sell the family farm or family businesses when the owner dies.

Uncle Sam can get by with a little less. Let us support the Republican tax package that provides tax relief to middle-class families at every stage of life.

INDEPENDENT CONTRACTOR PROVISION IN TAX BILL WILL HURT MIDDLE-INCOME WORKERS

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

Ms. SLAUGHTER. Mr. Speaker, there is a real snake in the woodpile in this tax bill that nobody is talking about. There is a little provision in there that says an employer can declare an employee an independent contractor. That $500 tax credit per child will not mean a heck of a lot to a taxpayer if suddenly they find out they are responsible for all their own health insurance, paying their own FICA, and paying their payroll tax.

This is something that will also cost the American taxpayer an estimated $2.2 billion over the next 10 years. Let me quote Secretary of the Treasury, Robert Rubin, and what he has to say about this one provision.

''The provisions for independent contractor status would permit employers to avoid essential worker protections.'' Think about this, constituents. I want everyone to know about this one. At a time when we are trying to expand health and pension coverage, this proposal could lead to widespread shifting of employees to independent contractor status.

No longer an employee, but on their own. They would take away the protections such as pension and health coverage and, consequently, wage and hour protections, unemployment insurance benefits, and compensation for work related injuries. Wake up America, it is coming.

TREASURY DEPARTMENT NOT BEING STRAIGHT WITH AMERICAN PEOPLE

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

Mr. CAMP. Mr. Speaker, the Treasury Department is not being straight with the American people. The Treasury Department is using misleading, bogus information about the bipartisan tax relief package.

For example, they use something called family economic income. Now, people are probably wondering what is family economic income? That is the imputed rental value of a home, even though one does not plan to rent it; inside buildup on a pension or benefits one may receive at work.

That is a definition of income that was dropped by the Joint Tax Committee, which is a bipartisan committee, Democrat and Republican, House and Senate, and they dropped that definition of income when the Democrats were in control of the Congress.

I think those who are calling family economic income the correct definition will have a hard time explaining to the schoolteachers, truck drivers, waitresses, factory workers, farmers, and nurses in my district that they are rich.

According to the Treasury Department's absurd calculation, family economic income would take someone earning $45,000 a year and, for purposes of that calculation, say they earned $75,000 a year. I guess anything to deny middle-class tax relief.

REPUBLICAN TAX RELIEF—TAKE A TURN ON THE WEB

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

Ms. DELAURO. Mr. Speaker, yesterday Speaker GINGRICH stood in the well of this House and he invited the American people to visit the House Republican web site, calculate their estimated tax savings under the Republican plan.

So I thought, let us see how an average working tax-paying mom with two kids would fare under the Republican plan. Let me just say I received an error message saying they could not calculate her savings. Perhaps that is because this family would get a big fat zero. No tax break at all under the Republican plan.

Then I entered in the data for someone making $1 million a year, half of that in capital gains. The Republican calculator had no problem figuring out their tax break: $40,000.

That is true. A millionaire gets $40,000 back and a working taxpaying mother in this country gets zero.

The Washington Post editorial this morning hit it right on the nose. ''The Republicans have written a tax bill

tilted heavily toward the better off.'' They target this as ''tax trash''. If anything, this was an understatement. Everyone should take a turn on the web and see for themselves.

EXTENDING AGREEMENT BETWEEN GOVERNMENT OF UNITED STATES AND GOVERNMENT OF PEOPLE'S REPUBLIC OF CHINA CONCERNING FISHERIES OFF COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 105–106)

The SPEAKER pro tempore (Mr. LAHOOD) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources and ordered to be printed:

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801 et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of the People's Republic of China Extending the Agreement of July 23, 1985, Concerning Fisheries Off the Coasts of the United States, with Annexes and Agreed Minutes, as amended and extended. This Agreement, which was effected by an exchange of notes at Beijing on June 6 and July 1, 1996, extends the 1985 Agreement to July 1, 1998.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement at an early date.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1997.*

□ 1145

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1998

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 184 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2158.

□ 1145

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2158) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, July 15, 1997, the amendment by the gentleman from Kansas [Mr. TIAHRT] had been disposed of and the bill had been read through page 8, line 8.

The Clerk will read.

The Clerk read as follows:

MEDICIAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $60,160,000, plus reimbursements.

GENERAL POST FUND, NATIONAL HOMES

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the ''General post fund'': *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000.

In addition, for administrative expenses to carry out the direct loan programs, $54,000, which shall be transferred from the ''General post fund'', as authorized by Public Law 102–54, section 8.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; $853,385,000: *Provided,* That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act: *Provided further,* That funds under this heading shall be available for the conduct of medical examinations requested by the Veterans Benefits Administration in connection with claims for benefits under title 38, United States Code: *Provided further,* That none of the funds made available under this heading may be used for the relocation of the loan guaranty divisions of the Department of Veterans Affairs Regional Office in St. Petersburg, Florida to the Department of Veterans Affairs Regional Office in Atlanta, Georgia.

NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System, not otherwise provided for, including uniforms or allowances thereof; cemeterial expenses as authorized by law; purchase of three passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $84,183,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $31,013,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $155,600,000, to remain available until expended: *Provided,* That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further,* That funds provided in this appropriation for fiscal year 1998, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1998, and (2) by the awarding of a construction contract by September 30, 1999: *Provided further,* That the Secretary shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93–344): *Provided further,* That no funds from any other account except the ''Parking revolving fund'', may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

AMENDMENTS OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. LEWIS of California:

On page 11, line 7, strike ''$155,600,000'' and insert in lieu thereof ''$159,600,000''.

On page 12, line 21, strike ''$175,000,000'' and insert in lieu thereof ''$176,500,000''.

On page 13, line 19, strike ''$60,000,000'' and insert in lieu thereof ''$54,500,000''.

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

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I appreciate being recognized. I will not take the entire 5 minutes. These two amendments are noncontroversial and supported by the Members from the areas that are affected.

The first amendment adds $4 million to VA's construction major projects account for a columbarium at the National Memorial Cemetery in Arizona.

The bill already includes the requested $9.1 million for grave site development and improvements of this construction project at the cemetery.

The second amendment adds $1.5 million to VA's construction minor projects account for expansion of the existing National Cemetery at Mobile, AL. This will permit the development of 10 acres of city-owned land for burial of veterans in the Mobile area.

These two additions are offset by a reduction in the increase recommended by the committee for the grants for construction of State extended care facilities account. The committee recommended an increase $19 million above the 1998 budget request for this account. The amendment changes the increase in that appropriations to $13.5 million above the request.

Mr. Chairman, I urge the Members to support the amendments.

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

Mr. Chairman, the gentleman from California [Mr. LEWIS] has discussed these amendments with me, and we have no objection to them.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. LEWIS].

The amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, where the estimated cost of a project is less than $4,000,000; $175,000,000, to remain available until expended, along with unobligated balances of previous ''Construction, minor projects'' appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000: *Provided*, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from ''Medical care''.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $60,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERAN CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERAN CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 1998 for ''Compensation and pensions'', ''Readjustment benefits'', and ''Veterans insurance and indemnities'' may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 1998 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for ''Construction, major projects'', ''Construction, minor projects'', and the ''Parking revolving fund'') shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the ''Medical care'' account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1998 for ''Compensation and pensions'', ''Readjustment benefits'', and ''Veterans insurance and indemnities'' shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1997.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1998 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from ''Compensation and pensions''.

SEC. 107. Notwithstanding any other provision of law, during fiscal year 1998, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the ''General operating expenses'' account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 1998, that are available for dividends in that program after claims have been paid and actuarially determined reserved have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 1998, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON:

Page 16, after line 12, insert the following new section:

SEC. 108. (a) This section is enacted contingent on the enactment of legislation establishing the Medical Collections Fund.

(b) If the Secretary of Veterans Affairs determines that the total amount to be recovered for fiscal year 1998 for deposit to the Medical Collections Fund under the provisions of the legislation establishing such Fund will be less than the amount contained in the latest Congressional Budget Office baseline estimate (computed under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985) for the amount of such recoveries for that fiscal year by at least $25,000,000, the Secretary shall promptly certify to the Secretary of the Treasury the amount of the shortfall (as estimated by the Secretary of Veterans Affairs) that is in excess of $25,000,000. Upon receipt of such a certification, the Secretary of the Treasury shall, not later than 30 days after receiving the certification, deposit in the Medical Collections Fund, from any unobligated amounts in the Treasury, an amount equal to the amount certified by the Secretary of Veterans Affairs.

(c) If a deposit is made under subsection (b) and the Secretary of Veterans Affairs subsequently determines that the actual amount recovered for fiscal year 1998 for deposit to the Medical Collections Fund—

(1) is greater than the amount estimated by the Secretary that was used for purposes of the certification by the Secretary under subsection (b), the Secretary shall pay into the General Fund of the Treasury, from amounts available for medical care, an amount equal to the difference between the amount actually recovered and the amount so estimated (but not in excess of the amount of the deposit under subsection (b) pursuant to such certification); or

(2) is less than the amount estimated by the Secretary that was used for purposes of the certification by the Secretary under subsection (b), the Secretary shall promptly certify to the Secretary of the Treasury the amount of the shortfall.

(d) Upon receipt of a certification from the Secretary of Veterans Affairs under subsection (c)(2), the Secretary of the Treasury shall, not later than 30 days after receiving the certification, deposit in the Medical Collections Fund, from any unobligated amounts in the Treasury, an amount equal to the amount certified by the Secretary of Veterans Affairs.

Page 48, line 2, insert ''(reduced by $27,000,000)'' after ''$656,223,000,''.

Mr. SOLOMON. Mr. Chairman, let me just say that I offer this amendment on behalf of the gentleman from Wisconsin [Mr. NEUMANN] and myself. And let me, from the bottom of my heart, Mr. Chairman, commend the work of the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the ranking member, and their entire Subcommittee on

VA, HUD, and Independent Agencies and staff for carefully crafting a great bill and attracting bipartisan support to it. These two gentlemen, in particular, have long been strong supporters of the veterans of this Nation and particularly of our veterans' medical care delivery system, and I commend them for it. I hate to think where we would be without the leadership of both of these gentlemen.

I rise simply to build on what they have done and to offer a critically important amendment that protects the medical care dollars for our Nation's veterans.

Mr. Chairman, I am pleased to have the resounding support of every major veterans service organization in this country and the House Committee on Veterans' Affairs for this amendment that will guarantee a significant increase in VA health care funding, but more importantly, keep that funding from being decreased.

The American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, Vietnam Veterans of America, the Paralyzed Veterans of America, and the Blinded Veterans Association all have made it very clear that they are very uneasy about the existing appropriations for VA medical care and support this amendment that I am offering today.

Mr. Chairman, I include for the RECORD the following:

THE AMERICAN LEGION,
Washington, D.C., July 14, 1997.

Hon. GERALD SOLOMON,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SOLOMON: The American Legion fully supports your amendment to the FY 1998 VA, HUD and Independent Agencies appropriations bill which would ensure supplemental funding for VA health care in the event VA's efforts to collect and retain third-party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office.

Under current VA rules, regulations and procedures, The American Legion questions VA's ability to recover the recommended $604 million in third-party reimbursements as outlined in the 1997 Budget Resolution. Each year, service connected veterans requiring medical care must fight to get its shart of discretionary dollars. Your amendment will greatly assist VA in meeting its obligation to provide veterans the necessary medical services they need as a result of injury or illness. Without this amendment, VA may be forced to further scale back health care services and reduce staffing levels; ultimately forcing VA to ration health care to service-connected and other eligible veterans.

Once again, The American Legion fully supports your amendment to provide supplemental funding for VA health care in the event VA's efforts to collect and retain third-party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office. As always, your continued leadership and commitment to veterans and their families is greatly appreciated.

Sincerely,

STEVE A. ROBERTSON,
Director,
National Legislative Commission.

Mr. Chairman, the necessary increase appropriated for VA hospitals is entirely dependent on the collection of outside insurance payments. In other words, VA health care is only directly funded at $16.9 billion, and that is an actual decrease from last year, and depends on an estimate by the CBO that the VA will collect and retain more than $600 million from veterans who pay for their care with private, third-party insurance.

Mr. Chairman, I have supported the collection of those dollars for the VA since my days as the ranking member of the Committee on Veterans' Affairs. And I am very pleased now that we have this written into the law and excited that we are finally providing this sort of incentive to the VA to help fund these vital medical services.

And again, that is why I commend both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] because of their limitations that they have with their 602(b) allocations spread over all of these myriad of Departments like the Veterans Affairs Department, the Housing and all of the independent agencies, that is one of the most difficult jobs in this Congress. And that is why I offer the amendment today, because we cannot leave to chance our solemn commitment and vow to provide and maintain adequate health care for those who have served our Nation in uniform.

We owe it to them to guarantee that the budget for the VA medical care will be maintained even in the face of the inability of the VA to collect such outside payments. That is why the amendment that I am offering that was offered by the gentleman from Wisconsin [Mr. NEUMANN], sitting over here next to me, in the Committee on Appropriations is so very, very important. It implements and it pays for fail-safe language that will ensure the VA receives at least, and this is the important part, at least $579 million on top of the $16.9 billion appropriated no matter what the VA collects. That means that this amendment would guarantee nearly $17.6 billion for VA medical care. And that is the level of funding that we needed to get.

If my colleagues do not think this guarantee is necessary, just consider this: The VA collected outside payments of about $573 million in fiscal year 1995, $573 million; $557 million in 1996, that was going down; and $533 million is estimated for 1997, and that is going down.

So we can see what is happening, that these funds from third-party collections are shrinking. That is right, their collections have decreased over the last 3 years. And just to put this in more perspective, the VA predicted that they would collect $736 million initially for 1997, yet they only brought in $533 million. That is the difference, and that is why the need for this amendment.

I ask my colleagues, how can we count on them to collect $604 million next year? The truth is we just cannot.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLOMON] has expired.

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

Mr. SOLOMON. Mr. Chairman, should we not insist on a guaranteed amount that will not jeopardize the VA's ability to deliver at least the same level of health care as last year?

This amendment I am proposing would quite simply direct the Treasury to cover any shortfall in the VA's collection of payments of more than $25 million. In other words, if the VA collects about what they have over the last few years about $550 million on average, the Treasury would transfer $29 million from unobligated funds to the VA medical care account.

However, if the VA does collect more than this $579 million threshold, let us say $590 million, then they quite simply keep it and we pay nothing additionally out of the Treasury. This safeguard builds on our willingness to try new reforms to enhance VA health care, but provides much needed reassurances to our veterans that we are not going to leave them high and dry should these reforms not live up to the expectations.

I urge my colleagues to vote yes on the Solomon-Neumann amendment and send our veterans, the administration, and the Senate a very strong message that the House is committed to guaranteeing these adequate funding levels, at least what we have been spending over the last year. That is terribly, terribly important.

And again, in closing, let me just again praise the work of the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the ranking member, and their committee and their staff, because they do great work for the veterans of this Nation. And being a veteran myself, I commend them for it and I thank the gentlemen for their time.

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

I rise to support this amendment. The amendment is really about the third-party payor system, which under a bill passed previously through the House, the veterans health care agencies would be allowed to collect this money.

What this amendment does is it protects the veterans that in the event the organization in Washington that estimated how much money is going to come in, in the event that organization, albeit a very fine organization, CBO, if they have made an error in the projections, this would simply guarantee the veterans that they would get at least all but $25 million of what was projected by CBO under this agreement.

That is really what this is all about. It is simply guaranteeing our veterans organizations that health care will be available for them as it has been in the past and guaranteeing the level of

funding to make sure that that can really happen.

I have with me some letters and I would just like to read a few of the inserts out of these letters. The first one is from the American Legion.

The American Legion fully supports your amendment to fiscal year 1998 VA/HUD and Independent Agencies appropriations bill, which would ensure supplemental funding for VA health care.

It goes on to say,

The Legion fully supports your amendment to provide supplemental funding for VA health care in the event the VA efforts to collect and retain third party receipts falls more than $25 million short of the $604 million projected by the Congressional Budget Office.

And that really is what this is all about.

□ 1200

It is simply a guarantee that in the event CBO has misestimated the numbers, that they will still receive the funding necessary to provide health care to our veterans.

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

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

Mr. SOLOMON. Mr. Chairman, I just want to commend the gentleman from Wisconsin [Mr. NEUMANN] because, when he arrived here, joined forces with people like me that have been fighting for the balanced budget over all these years and he has been such a great help. One of the reasons that we are on that glide path and we are going to get this balanced budget is because of the gentleman from Wisconsin [Mr. NEUMANN]. I wanted everyone to know, especially the veterans' families and population out there that the gentleman from Wisconsin at all times has stood up for the veterans of this Nation because when we have to balance the budget, it is not easy, we have to cut someplace. With his help, we have been able to maintain that funding. I just wanted to commend him for it. The gentleman truly is a friend of the veterans, and veterans like me appreciate that.

Mr. NEUMANN. I thank the gentleman. I very much appreciate the work of the distinguished chairman of the Committee on Rules as well as the chairman of our committee and the ranking minority member for the effort that has gone into this. I would add that in view of the overall bill, this is a relatively minor adjustment, but it is very important to the veterans of our Nation. That is why this amendment is being proposed.

There are other groups of veterans that are supporting this, and it is one right after the next, Disabled American Veterans; again I quote:

On behalf of the more than 1 million members of the Disabled American Veterans, I wish to express our appreciation and support for your amendment.

Veterans of Foreign Wars; again I quote:

This is written to express the strong support and appreciation of the Veterans of Foreign Wars for the amendment.

All our veterans are asking is to be guaranteed that the CBO numbers are within reason, accurate so that they can plan accordingly to provide appropriate health care.

Paralyzed Veterans of America; again I quote:

On behalf of the Paralyzed Veterans of America, I am writing to express our strong support for your amendment.

Blinded Veterans Association:

On behalf of the Blinded Veterans Association, a federally chartered veterans service, I just want to express our strong support for your amendment.

Vietnam Veterans of America, I have got neighbors that are Vietnam veterans where I live; again I quote:

On behalf of the membership of the Vietnam Veterans of America, I am pleased to support your amendment to fiscal year 1998 VA-HUD.

The bottom line is the veterans groups want to be assured that the health care that they have been promised is available to them. All we are doing in this amendment is making sure that the funding level that has been estimated by CBO actually comes to fruition. If there are more funds available, that is fine; it does not cost the budget anything. But if it would for some reason be that CBO has misestimated these numbers, our veterans will still be cared for in an appropriate way.

To me, veterans should receive the highest priority in this Nation. When we look at all the spending that this Government does, I think we need to start with the veterans, who have served this country so well when we consider where the dollars go.

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

Mr. Chairman, many Members probably do not realize it, but the gentleman from New York [Mr. SOLOMON] and I have a number of things in common. Among them, before becoming involved in government, we were insurance professionals. I can remember years ago spending a lot of time in the health and life insurance field dealing with this very question. A situation where veterans had private medical coverage, and were getting services at hospitals; and the money was not directly reimbursed for VA medical care purposes and they used it within that pool of funding. To me, that process seemed a bit ridiculous. In the time I have been in the Congress the question has been raised many fold, but indeed it has never been raised quite so effectively as it has been this year.

I must say that I do have some reservation about this amendment. While I intend to support it, I nonetheless have some reservation. I have a reservation only because we have language within the reconciliation process where a conference is going on with the other body right now that is likely to statutorily extend this reimbursement process for a number of years. With that reconciliation opportunity, it seems to me that it may be that the veterans service organizations are a bit anxious here. Sometimes they ask their supporters to move a little quicker than they really might like.

For example, the gentleman from Wisconsin [Mr. NEUMANN], who has done such a fabulous job on this idea, got a commitment from the full committee chairman that, if some way reconciliation fell apart on this matter, that we would return to it in conference on our bill, essentially to try to keep the pressure on those who are dealing with reconciliation.

My concern that I would suggest to the VSO's is that they could be taking pressure off of that reconciliation process by this amendment. I hope that that is not the case but it could be. I think it would have been smarter in many ways to wait until later in our process, but frankly ofttimes we find that our friends out there who represent organizations get very anxious and really do not totally have a handle on this complicated process. In the meantime, the chairman of the Committee on Rules, taking up their concern on behalf of the gentleman from Wisconsin [Mr. NEUMANN], has indeed brought the issue to us in this form.

I am not sure why the House would want to turn it down. It will cause us to discuss it in conference. I would certainly suggest that, from my point of view, no one who is involved in reconciliation presumed this is the way to get off of that hook. We expect them to act positively, and I am going to be strongly urging them to act positively.

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

Mr. Chairman, I rise just to bring to the attention of the House a little further discussion relative to the reservations that were just expressed by the chairman of the subcommittee. By the same token, I have reservations because this matter was discussed fully at the full committee level. The gentleman from Wisconsin [Mr. NEUMANN] presented the amendment at that time and I think did an excellent job of presenting the problem that veterans have faced as a result of the necessity for such a motion.

After a full discussion at the full committee level, assurance was given that in the event that the reconciliation package did not provide the type of fail-safe preservation that the veterans needed, that the Committee on Appropriations would revisit this matter and see that the veterans were made whole. Subsequently, and based upon the chairman's representation in that respect, the full committee then voted down that particular amendment at that time.

I think all of us have to realize that this problem would not have arisen had we taken care of this matter in the budget agreement that was passed here by the House. I voted against the budget agreement which was passed by the House. One of the reasons I voted

against it was because all of those who voted for it knew that that bill cut the veterans account by $2.2 billion. I think it was recognized by anyone voting for it that at some time or other the chickens would come home to roost and this matter would have to be reconciled. Of course this amendment gives people the right to have it both ways. They voted for the budget that cut veterans by $2.2 billion and by this amendment they cover themselves to try and protect them in the event that there is a shortfall.

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

Mr. STOKES. I yield to the gentleman from Wisconsin.

Mr. NEUMANN. In the full committee, our biggest problem that we had after we left full committee and entered into further discussions on it, if reconciliation passes and contains these provisions, I do not think there is anyone that has a problem in conference with eliminating this if it is already done in reconciliation at that point. But the problem we had is that, if it was not in either the House bill or the Senate bill and reconciliation failed, then the question would come up as to whether or not it would be appropriate in the conference committee to add something that was in neither the House version nor the Senate version. That is the reason we brought it here to the floor.

Again I express my respect and support for the ranking minority member of this committee.

Mr. STOKES. Mr. Chairman, reclaiming my time, I recognize and do not quarrel with the fact that the gentleman was trying to arrive at a solution to a potential problem in the future. I am just saying that I think when this budget was passed by the House, with the cut being in it, we should have all recognized, at least I recognized, that this problem was going to come up at that time.

Mr. GILMAN. Mr. Chairman, I rise today in strong support of the amendment being offered by my colleague from New York, the chairman of the Rules Committee. This amendment would provide a much needed safety net for veterans health care should the need arise in the future.

Under the current balanced budget agreement, VA health care appropriations are frozen over the next several years rather than increasing, as they have traditionally done. In return, the VA will be allowed to collect and retain third party insurance and Medicare payments.

The funds collected from these payments in theory will make up for those funds that would have resulted from future budget increases. The CBO estimates that $604 million would be collected in this manner.

This amendment would guarantee the VA an additional $579 million in the event that the third party collection program is not as successful as envisioned. It would take effect if the third party collections fell more than $25 million short of the CBO projection.

In terms of cost, this amendment would require $14 million to implement. The funds for this would come from the EPA budget, while leaving the funding for that program well over the President's request.

Mr. Chairman, the health of our Nation's veterans is far too important to rely on unproven and untested national programs. Veterans benefits are true entitlements; they were earned by sacrifice and blood. This amendment is supported by our Nation's veterans organizations and is a welcome step toward correcting a dangerously low health care appropriation.

Accordingly, I urge all of my colleagues to join in supporting Representative SOLOMON's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under the head ''Preserving Existing Housing Investment'') or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $10,393,000,000, to remain available until expended: *Provided,* That of the total amount provided under this heading, $9,200,000,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts: *Provided further,* That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1998: *Provided further,* That of the total amount provided under this heading, $850,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended: *Provided further,* That of the total amount provided under this heading, $343,000,000 shall be for section 8 rental assistance under the United States Housing Act including assistance to relocate residents of properties (i) that are owned by the Secretary and being disposed of or (ii) that are discontinuing section 8 project-based assistance; for the conversion of section 23 projects to assistance under section 8; for funds to carry out the family unification program; and for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency: *Provided further,* That of the total amount made available in the preceding proviso, $50,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act or the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 1361l).

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Notwithstanding any other provision of law, of the amounts recaptured under this heading during fiscal year 1998 and prior years, $565,000,000, heretofore maintained as section 8 reserves made available to housing agencies for tenant-based assistance under the section 8 existing housing certificate and housing voucher programs, are rescinded.

All balances remaining in the Preserving Existing Housing Investment Account for Preservation shall be transferred to and merged with the amounts previously provided for those purposes under this head.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,500,000,000, to remain available until expended for modernization of existing public housing projects as authorized under section 14 of such Act: *Provided,* That of the total amount, $30,000,000 shall be for carrying out activities under section 6(j) of such Act and technical assistance for the inspection of public housing units, contract expertise, and training and technical assistance directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public housing program and for lease adjustments to section 23 projects: *Provided further,* That of the amount available under this heading, $5,000,000 shall be for the Tenant Opportunity Program: *Provided further,* That all balances, as of September 30, 1997, of funds heretofore provided (other than for Indian families) for the development or acquisition costs of public housing, for modernization of existing public housing projects, for public housing amendments, for public housing modernization and development technical assistance, for lease adjustments under the section 23 program, and for the Family Investment Centers program, shall be transferred to and merged with amounts made available under this heading.

PUBLIC HOUSING OPERATING FUND

(INCLUDING TRANSFER OF FUNDS)

For payments to public housing agencies for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $2,900,000,000, to remain available until expended: *Provided,* That all balances outstanding, as of September 30, 1997, of funds heretofore provided (other than for Indian families) for payments to public housing agencies for operating subsidies for low-income housing projects, shall be transferred to and merged with amounts made available under this heading.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

(INCLUDING TRANSFER OF FUNDS)

For grants to public and Indian housing agencies for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $290,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies, resident organizations, and Indian Tribes and their Tribally designated housing entities (including the cost of necessary travel for participants in such

training); $10,000,000 shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home Program administered by the Inspector General of the Department of Housing and Urban Development; and $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home: *Provided,* That the term ''drug-related crime'', as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary: *Provided further,* That notwithstanding section 5130(c) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(c)), the Secretary may determine not to use any such funds to provide public housing youth sports grants.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for assisting in the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937; and for providing replacement housing and assisting tenants to be displaced by the demolition, $524,000,000, to remain available until expended, of which the Secretary may use up to $5,000,000 for technical assistance, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: *Provided,* That no funds appropriated in this title shall be used for any purpose that is not provided for herein, in the Housing Act of 1937, in the Appropriations Acts for Veterans Affairs, Housing and Urban Development, and Independent Agencies, for the fiscal years 1993, 1994, and 1995, and the Omnibus Consolidated Rescissions and Appropriations Act of 1996: *Provided further,* That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

NATIVE AMERICAN HOUSING BLOCK GRANTS (INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (Public Law 104–330), $650,000,000, to remain available until expended, of which $5,000,000 shall be used to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the oversight and management of Indian housing and tenant-based assistance, including up to $200,000 for related travel: *Provided,* That all balances outstanding as of September 30, 1997, previously appropriated under the headings ''Annual Contributions for Assisted Housing'', ''Development of Additional New Subsidized Housing'', ''Preserving Existing Housing Development'', ''HOME Investment Partnerships Program'', ''Emergency Shelter Grants Program'', and ''Homeless Assistance Funds'', identified for Indian Housing Authorities and other agencies primarily serving Indians or Indian areas, shall be transferred to and merged with amounts made under this heading.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739) $3,000,000, to remain available until expended: *Provided,* That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $36,900,000.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $204,000,000, to remain available until expended: *Provided,* That of the amount made available under this heading for non-formula allocation, the Secretary may designate, on a noncompetitive basis, one or more nonprofit organizations that provide meals delivered to homebound persons with acquired immunodeficiency syndrome or a related disease to receive grants, not exceeding $250,000 for any grant, and the Secretary shall assess the efficacy of providing such assistance to such persons.

COMMUNITY DEVELOPMENT BLOCK GRANTS (INCLUDING TRANSFERS OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, to carry out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (the ''Act'' herein) (42 U.S.C. 5301), $4,600,000,000, to remain available until September 30, 2000: *Provided,* That $67,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of the Act; $2,100,000 shall be available as a grant to the Housing Assistance Council; $1,500,000 shall be available as a grant to the National American Indian Housing Council; $25,100,000 shall be for grants pursuant to section 107 of such Act; $11,500,000 shall be for the Community Outreach Partnership program; $16,700,000 shall be for grants pursuant to section 11 of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120): *Provided further,* That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for ''Planning and Management Development'' and ''Administration'' as defined in regulations promulgated by the Department.

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $50,000,000 for grants to public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of such Act (42 U.S.C. 1437f), and other low-income families and individuals to become self-sufficient: *Provided,* That the program shall provide supportive services, principally for the benefit of public housing residents, to the elderly and the disabled, and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: *Provided further,* That the supportive services may include congregate services for the elderly and disabled, service coordinators, and coordinated educational, training, and other supportive services, including academic skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, transportation, and child care: *Provided further,* That the Secretary shall require applications to demonstrate firm commitments of funding or services from other sources: *Provided further,* That the Secretary shall select public and Indian housing agencies to receive assistance under this head on a competitive basis, taking into account the quality of the proposed program, including any innovative approaches, the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent to which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year period, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary.

Of the amount provided under this heading, $50,000,000 shall be for Economic Development Grants.

Of the amount made available under this heading, notwithstanding any other provision of law, $30,000,000 shall be available for youthbuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading.

Of the amount made available under this heading, notwithstanding any other provision of law, $60,000,000 shall be available for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992.

For the cost of guaranteed loans, $29,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,261,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act. In addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for departmental salaries and expenses.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), as amended, $1,500,000,000, to remain available until expended: *Provided,* That up to $7,000,000 shall be available for the development and operation of integrated community development management information systems: *Provided further,* That $15,000,000 shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968: *Provided further,* That up to $10,000,000 shall be available to carry out a demonstration program in which the Secretary makes grants to up to three non-profit community development financial institutions (as defined in section 103(5) of the Community Development Banking and Financial Institutions Act of 1994), selected on a noncompetitive basis, to demonstrate methods of expanding homeownership opportunities

for low-wealth borrowers, including expanding the secondary market for non-conforming home mortgage loans to low-wealth borrowers: *Provided further,* That grantees shall have experience in working with lenders who make non-conforming loans to low-income borrowers, have experience in expanding the secondary market for such loans, have demonstrated success in carrying out such activities with non-Federal funds, and have demonstrated the ability to provide data on the performance of such loans sufficient to allow analysis of the investment risk of such loans.

SUPPORTIVE HOUSING PROGRAM

(RESCISSION)

Of the funds made available under this heading in Public Law 102–389 and prior laws for the Supportive Housing Demonstration Program, as authorized by the Stewart B. McKinney Homeless Assistance Act, $6,000,000 of funds recaptured during fiscal year 1998 shall be rescinded.

SHELTER PLUS CARE

(RESCISSION)

Of the funds made available under this heading in Public Law 102–389 and prior laws for the Shelter Plus Care program, as authorized by the Stewart B. McKinney Homeless Assistance Act, $4,000,000 of funds recaptured during fiscal year 1998 shall be rescinded.

HOMELESS ASSISTANCE GRANTS

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act, as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), $823,000,000, to remain available until expended.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), not otherwise provided for, $839,000,000, to remain available until expended: *Provided,* That of the total amount provided under this heading, $645,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959; and $194,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities as authorized by section 811 of such Act: *Provided further,* That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: *Provided further,* That the Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate: *Provided further,* That all obligated and unobligated balances remaining in either the ''Annual Contributions for Assisted Housing'' account or the ''Development of Additional New Subsidized Housing'' account for capital advances, including amendments to capital advances, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for the elderly, under section 202(c)(2) of such Act, shall be transferred to and merged with the amounts for those purposes under this heading; and, all obligated and unobligated balances remaining in either the ''Annual Contributions for Assisted Housing'' account or the ''Development of Additional New Subsidized Housing'' account for capital advances, including amendments to capital advances, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzales National Affordable Housing Act, and for project rental assistance, and amendments to contracts for project rental assistance, for supportive housing for persons with disabilities, as authorized under section 811 of such Act, shall be transferred to and merged with the amounts for those purposes under this heading.

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z–1) is reduced in fiscal year 1998 by not more than $7,350,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts: *Provided,* That up to $125,000,000 of recaptured budget authority shall be canceled.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 1997, and any collections made during fiscal year 1998, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 1998, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $110,000,000,000.

During fiscal year 1998, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $200,000,000: *Provided,* That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $333,421,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed $326,309,000 shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed $7,112,000 shall be transferred to the appropriation for the Office of Inspector General.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended), $81,000,000, to remain available until expended: *Provided,* That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $17,400,000,000: *Provided further,* That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238(a), and 519(a) of the National Housing Act, shall not exceed $120,000,000; of which not to exceed $100,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $222,305,000, of which $218,134,000, including $25,000,000 for the enforcement of housing standards on FHA-insured multifamily projects, shall be transferred to the appropriation for departmental salaries and expenses; and of which $4,171,000 shall be transferred to the appropriation for the Office of Inspector General.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 1998, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $130,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000, to be derived from the Ginnie Mae-guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for salaries and expenses.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not

otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $39,000,000, to remain available until September 30, 1999.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $30,000,000, to remain available until September 30, 1999, of which $15,000,000 shall be to carry out activities pursuant to such section 561. No funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $1,005,826,000, of which $544,443,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, and $1,000,000 shall be provided from the ''Community Development Grants Program'' account.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $66,850,000, of which $11,283,000 shall be provided from the various funds of the Federal Housing Administration and $10,000,000 shall be provided from the amount earmarked for Operation Safe Home in the ''Drug Elimination Grants for Low Income Housing'' account.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, $16,312,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided,* That not to exceed such amount shall be available from the General Fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further,* That the General Fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the General Fund estimated at not more than $0.

ADMINISTRATIVE PROVISIONS

SEC. 201. DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES.—

Section 403(c) of The Balanced Budget Downpayment Act, I is amended—

(A) by striking ''fiscal years 1996 and 1997'' and inserting ''fiscal years 1996, 1997, and 1998''; and

(B) by inserting before the semicolon the following: ''and October 1, 1998 for assistance made available during fiscal year 1998''.

SEC. 202. SECTION 8 RENT ADJUSTMENTS.—Section 8(c)(2)(A) of the United States Housing Act of 1937 is amended—

(1) in the third sentence, by striking ''fiscal year 1997'' and inserting ''fiscal years 1997 and 1998''; and

(2) in the last sentence, by striking ''fiscal year 1997'' and inserting ''fiscal years 1997 and 1998''.

SEC. 203. The part of the HUD 1996 Community Development Block Grant to the State of Illinois which is administered by the State of Illinois Department of Commerce and Community Affairs (grant number B–96–DC–170001) and which, in turn, was granted by the Illinois Department of Commerce and Community Affairs to the city of Oglesby, Illinois, located in LaSalle County, Illinois (State of Illinois Department of Commerce and Community Affairs grant number 96–24104), for the purpose of providing infrastructure for a warehouse in Oglesby, Illinois, is exempt from the provisions of section 104(g)(2), (g)(3), and (g)(4) of title I of the Housing and Community Development Act of 1974 as amended.

SEC. 204. ANNUAL ADJUSTMENT FACTORS.—Section 8(c)(2)(A) of the United States Housing Act of 1937 is amended by inserting the following new sentences at the end: ''In establishing annual adjustment factors for units in new construction and substantial rehabilitation projects, the Secretary shall take into account the fact that debt service is a fixed expense. The immediately foregoing sentence shall be effective only during fiscal year 1998.''.

SEC. 205. MINIMUM RENTS.—Section 402(a) of The Balanced Budget Downpayment Act, I (Public Law 104–99; 110 Stat. 40) is amended by inserting ''and fiscal year 1998'' after ''fiscal year 1997''.

SEC. 206. HOME PROGRAM FORMULA.—The first sentence of section 217(b)(3) of the Cranston-Gonzalez National Affordable Housing Act is amended by striking ''only those jurisdictions that are allocated an amount of $500,000 or greater shall receive an allocation'' and inserting in lieu thereof the following: ''jurisdictions that are allocated an amount of $500,000 or more, and participating jurisdictions (other than consortia that fail to renew the membership of all of their member jurisdictions) that are allocated an amount less than $500,000, shall receive an allocation''.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; $26,897,000, to remain available until expended: *Provided,* That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further,* That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further,* That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

For grants, loans, and technical assistance to qualifying community development lenders, and administrative expenses of the Fund, $125,000,000, to remain available until September 30, 1999, of which $20,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided,* That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $53,000,000: *Provided further,* That not more than $40,000,000 of the funds made available under this heading may be used for programs and activities authorized in section 114 of the Community Development Banking and Financial Institutions Act of 1994.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $44,000,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the ''Corporation'') in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the ''Act'') (42 U.S.C. 12501 et seq.), $400,500,000, to remain available until September 30, 1999: *Provided,* That not more than $29,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): *Provided further,* That not more than $2,500 shall be for official reception and representation expenses: *Provided further,* That not more than $69,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.), of which not to exceed $10,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further,* That not more than $201,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the Americorps program): *Provided further,* That not more than $5,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further,* That no funds shall be available for national service programs run by Federal agencies authorized

under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further,* That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further,* That not more than $18,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further,* That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further,* That not more than $30,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further,* That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further,* That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal costs per participant in all programs.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $2,000,000.

COURT OF VETERANS APPEALS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7298, $9,319,000, of which $790,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set fourth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,815,000, to remain available until expended.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $656,223,000, which shall remain available until September 30, 1999: *Provided,* That $35,000,000 of the funds appropriated under this heading shall be transferred to the National Institute of Environmental Health Sciences to conduct and administer a comprehensive, peer-reviewed particulate matter research program.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,763,352,000, which shall remain available until September 30, 1999.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $28,501,000, to remain available until September 30, 1999.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $182,120,000, to remain available until expended: *Provided,* That the Environmental Protection Agency is authorized to establish and construct a consolidated research facility at Research Triangle Park, North Carolina, at a maximum total construction cost of $272,700,000, and to obligate such monies as are made available by this Act for this purpose.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,500,699,000, to remain available until expended, consisting of $1,250,699,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided,* That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further,* That $11,641,000 of the funds appropriated under this heading shall be transferred to the ''Office of Inspector General'' appropriation to remain available until September 30, 1999: *Provided further,* That notwithstanding section 111(m) of CERCLA or any other provision of law, $80,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: *Provided further,* That $35,000,000 of the funds appropriated under this heading shall be transferred to the ''Science and Technology'' appropriation to remain available until September 30, 1999: *Provided further,* That $85,000,000 of the funds appropriated under this heading shall be for Brownfields assessments, training and administrative expenses only: *Provided further,* That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1998.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $60,000,000, to remain available until expended: *Provided,* That no more than $9,100,000 shall be available for administrative expenses.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended: *Provided,* That not more than $9,000,000 of these funds shall be available for administrative expenses.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,026,182,000, to remain available until expended, of which $1,250,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under Title VI of the Federal Water Pollution Control Act, as amended, and $750,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $50,000,000 for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $50,000,000 for grants to the State of Texas, which shall be matched by an equal amount of State funds from State resources, for the purpose of improving wastewater treatment for colonias; $15,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages as provided by section 303 of Public Law 104–182; $160,925,000 for making grants for the construction of wastewater and water treatment facilities and the development of groundwater in accordance with the terms and conditions specified for such grants in the report accompanying this Act; and $750,257,000 for grants to States, federally recognized tribes, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities pursuant to the provisions set forth under this heading in Public Law 104–134 and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: *Provided,* That, beginning in fiscal year 1998 and thereafter

from funds appropriated under this heading, the Administrator is authorized to make grants to federally recognized Indian governments for the development of multi-media environmental programs: *Provided further,* That, hereafter, the funds available under this heading for grants to States, federally recognized tribes, and air pollution control agencies for multi-media or single media pollution prevention, control, and abatement and related activities may also be used for the direct implementation by the Federal Government of a program required by law in the absence of an acceptable State or tribal program.

WORKING CAPITAL FUND

Under this heading in Public Law 104–204, delete the following: the phrases, ''franchise fund pilot to be known as the''; ''as authorized by section 403 of Public Law 103–356,''; and ''as provided in such section''; and the final proviso. After the phrase, ''to be available'', insert ''without fiscal year limitation''.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $4,932,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,506,000: *Provided,* That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as Chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $34,365,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $500,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,495,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $341,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $171,773,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $4,803,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $321,646,000: *Provided,* That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131 (b) and (c) and 42 U.S.C. 5196 (e) and (i), $50,000,000 of the funds made available under this heading shall be available until expended for project grants for State and local governments, and $60,000,000 of the funds made available under this heading shall be available until expended for planning and construction costs of a full-scale windstorm simulation center in conjunction with the Partnership for Natural Disaster Reduction.

□ 1215

AMENDMENT OFFERED BY MR. STOKES

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

The CHAIRMAN. The Chair would inquire of the gentleman, is it the amendment originally suggested by the gentleman from Minnesota [Mr. VENTO]?

Mr. STOKES. Mr. Chairman, this would be the conforming amendment that was referenced by the gentleman from Wisconsin [Mr. OBEY] last night when he presented his other part of this particular amendment.

The Clerk read as follows:

Amendment offered by Mr. STOKES:

On page 57, line 12, strike all after ''governments'' through ''Reduction'' on line 17.

Mr. STOKES. Mr. Chairman, my colleagues will recall that last night when the gentleman from Wisconsin [Mr. OBEY] presented his amendment that he referenced the fact that in order to perfect it to the wind tunnel that he would have to have a conforming amendment. This is a conforming amendment in order to perfect the amendment which he sponsored last night. At this time we would present the conforming amendment in order to comply with the reference made by the gentleman from Wisconsin last night relative to his original motion.

The amendment of Mr. OBEY last night would remove the earmark of the wind tunnel and the conforming amendment removes the appropriation related to it.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. STOKES].

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

Mr. LEWIS of California. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 184, further proceedings on the amendment offered by the gentleman from Ohio [Mr. STOKES] will be postponed.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent that we be allowed to go back to title II. I am sorry, I was on my way over when I got a phone call saying that we were moving through title I. I was wondering if the Chairman would offer us that consideration.

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

Mr. SENSENBRENNER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $100,000,000: *Provided,* That total administrative costs shall not exceed three and one-half percent of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, and the National Flood Insurance Reform Act of 1994, not to exceed $21,610,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,464,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 1999. In fiscal year 1998, no funds in excess of (1) $47,000,000 for operating expenses, (2) $375,165,000 for agents' commissions and taxes, and (3) $50,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. For fiscal year 1998, flood insurance rates shall not exceed the level authorized by the National Flood Insurance Reform Act of 1994.

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016 (a)(2)), as amended by Public Law 104–208, is further amended by striking the date ''1997'' and inserting in lieu thereof the date ''1998''.

ADMINISTRATIVE PROVISION

The Director of the Federal Emergency Management Agency shall promulgate

through rulemaking a methodology for assessment and collection of fees to be assessed and collected beginning in fiscal year 1998 applicable to persons subject to the Federal Emergency Management Agency's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1998 shall approximate, but not be less than, 100 per centum of the amounts anticipated by the Federal Emergency Management Agency to be obligated for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable, and shall reflect the full amount of costs of providing radiological emergency planning, preparedness, response and associated services. Such fees shall be assessed in a manner that reflect the use of agency resources for classes of regulated persons and the administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the general fund of the Treasury as offsetting receipts. Assessment and collection of such fees are only authorized during fiscal year 1998.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,419,000, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 1998 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts: *Provided further*, That notwithstanding any other provision of law, the Consumer Information Center may accept and deposit to this account, during fiscal year 1998 and hereafter, gifts for the purpose of defraying its costs of printing, publishing, and distributing consumer information and educational materials and undertaking other consumer information activities; may expend those gifts for those purposes, in addition to amounts appropriated or otherwise made available; and the balance shall remain available for expenditure for such purpose.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,426,500,000, to remain available until September 30, 1999.

AMENDMENT OFFERED BY MR. SENSENBRENNER

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

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

The CHAIRMAN. Point of order is reserved. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SENSENBRENNER:

Page 61, line 13, insert ''(reduced by $100,000,000)'' after ''$5,426,500,000''.

Mr. SENSENBRENNER. Mr. Chairman, this amendment reduces the amount for human space flight by $100 million to eliminate the request that has been made by someone for Russian program assurance in the Space Station Program. The $100 million was not requested either by NASA or by the administration, but suddenly appeared in the appropriation bill as a result of some negotiations that I do not think we really have gotten the full explanation for.

Let me say that if this amendment is adopted, NASA will get every penny for the space station that it has requested. The amendment allows for the full funding of the space station, and I think that NASA ought to be held accountable for the request that it has made and to build the space station according to the budget line that it has announced for a number of years.

The real shame that has occurred during the debate on this appropriation bill, in my opinion, is that some people have alleged that reducing the line for Russian program assurance places the space station in jeopardy.

Let me say that I have consistently supported fully funding the space station since day one. That continues to be my position. I believe we need a space station led by the United States and that the space station design that NASA has been with for the last 3½ years is a good one. We ought to fund it, we ought to build it, and we ought to put it in orbit.

On the other hand, I am very concerned that money in the reserves for the space station are being used to finance patching up failures of the Russian Government to do what it agreed to do, and by having $100 million extra in the space station account we are just encouraging the Russians to continue to delay and default because they know that the American taxpayer will end up picking up the tab for it.

I am opposed to it. I think that the majority of the American people are opposed to it. This is a question of accountability of NASA. NASA should tell the Congress and tell the American public exactly how much the agreement that they made with the Russians is costing the American taxpayer. Giving them $100 million more in Russian program assurance will just delay that day of reckoning.

I would urge the adoption of this amendment that just is a straight reduction of the $100 million, will be used to reduce the deficit if there is a lockbox amendment that ends up being approved. I think that this is prudent policy, and it also will make NASA accountable for the money that it spends.

Mr. LEWIS of California. Mr. Chairman, first let me withdraw my point of order. This is a different amendment than I anticipated.

The CHAIRMAN. The point of order is withdrawn.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would urge Members as well as those in Members' offices who might be watching this discussion to focus on this amendment with great care. The gentleman from Wisconsin [Mr. SENSENBRENNER] and I share in common a great interest in our work in space. We also have had many a discussion and share both interest and concern about international space station and that international partnership that has been formed with the United States and a number of our allies regarding our work in space. It is my concern that there are economic difficulties relative to some in that partnership and especially the Russian part of that partnership. Having expressed that concern in many a forum, I nonetheless suggest that this amendment which would affect $100 million relative to the Russian program for assurance could very well have a serious impact upon that partnership.

Indeed, we are attempting to make sure that we continue with a foundation of international partnership in a solid way that allows space station to progress on a schedule and calendar that will assure, indeed, its success. I am most concerned that this action could itself impact dramatically the partnership and, in turn, could affect the schedule for the station.

Mr. Chairman, I would love to hear from the Science Committee. If all those things should occur, I would love to hear from the committee what their game plan is at the other end in terms of assuring station success.

Now further, it is my view that if this partnership should unravel because of some untoward action, and indeed we could find ourself in a circumstance where station is not just delayed, station could be undermined itself, and that in turn could have a horrendous impact upon NASA's work.

With all those things in mind, I know the membership is most sensitive about just how successful we are being these days in space. None of us would have asked for a Mir accident, the tragedy that we have experienced there. At the same time, all of us who focused on that accident know that as a result of that we have learned a great deal. We could not have asked for a more productive and valuable experiment in terms of that kind of difficulty and potential in space.

□ 1230

None of us could be more excited than I am about the mission to Mars and the tremendous message it sends to the world about America's future in space. But, indeed, it is very important that we not unilaterally take some untoward action that could indeed undermine the pathway we are on at this point in time.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, just a couple of questions. If the gentleman from California [Mr. LEWIS] can tell the membership of the House, did the administration request this $100 million for NASA program assurance?

Mr. LEWIS of California. President Clinton's administration did not.

Mr. SENSENBRENNER. Did NASA, which is part of the administration, request the $100 million for Russian program assurance?

Mr. LEWIS of California. NASA does tell me that the administration does support the $100 million in their statement of administration policy on this bill. Frankly, I get different messages from different locations. But NASA is supporting that policy position.

Mr. SENSENBRENNER. So the President did not request it, but NASA is supporting the $100 million. I think the administration ought to get its act together and hope the amendment being adopted will help them do that.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I might suggest that the gentleman and I are in agreement on his last statement. But frankly, where we do the coordinating is maybe the disagreement here. I frankly have the highest level of confidence in the work that is being done by NASA at this moment, and, indeed, it seems to me if we find ourselves in a situation where we need to review this further, we certainly could readdress the question at conference.

In the meantime, at this point I would urge the Members to be most cautious about dealing with a small figure in the total circumstance of our entire budget but a very sizeable figure in terms of flexibility we need in dealing with space station, and the problems with this partnership. Indeed, this is an item that is ahead of its time. I urge the Members to vote ''no'' on the amendment.

Mr. LAMPSON. Mr. Chairman, I intended to speak on my opposition to the Rohrabacher-Roemer amendment. This amendment was promoted to the members of this body in a letter headlined ''If You Won't Kill It, Chill It.'' What the sponsors of this amendment fail to remember is that earlier in this session, we had a referendum on the international space station. It was proposed by my good friend from Indiana. His amendment to kill the space station was soundly rejected. This body has made a commitment to the space station. We have done so, I believe, because we realize the space station is the next step for scientific and technological discoveries.

While we debate this issue on the floor of the House today, the Pathfinder is sending us new and valuable information about Mars. I am sure we all agree the Pathfinder has been a complete success so far. America's fascination with space has been rekindled. Internet sites that posted pictures from the mission have been overwhelmed by people who wanted to see them. That fascination encourages students to work harder and scientists to be daring in finding the solutions that have eluded mankind here on Earth.

And while we debate this issue on the floor of the House today, the Space Shuttle Columbia orbits the Earth on a 16-day scientific mission. Space is the future of research and development of new technologies.

We all know the problems of the Russian economy. We know why there are delays on the delivery of their flight hardware. None of us like having to make these contingency plans. But bear in mind, the delays caused by Russia's inability to make good on their commitments cost us money, as well. Our Russian Program Assurance funds are not a blank check. They are, in fact, a prudent attempt to keep the project moving forward at a point when over 200,000 pounds of flight hardware has already been constructed. NASA tells us that waiting until the Russians are able to deliver the Service Module will cost the U.S. $300 million. That would be the result of the passage of this amendment—more costs and longer delays.

We have an interim control module under development and other Step 1 contingency plans in the works. The passage of this amendment would end production on the ICM and many of the contingencies, placing the space station and our entire investment thus far on the fragile shoulders of Russia.

Mr. Speaker, I'm not willing to do that. It doesn't make sense.

Finally, this amendment takes money from one NASA account and places it into another—and does so against NASA's wishes. There is no budget savings involved. This is a strike at the very heart of our commitment to the international space station. That's what is on the line when you cast your vote.

We didn't kill the space station back in April. In fact, we demonstrated strong, bipartisan support. And now my colleagues ask us to chill the space station? I would encourage my colleagues to keep progress on the space station red hot.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I do not believe that it is appropriate to cut the funding of NASA. It is true that the members of the Appropriations Committee saw the need to include additional funding for NASA's Human Space Flight, $100 million, for Russian Program Assurance [RPA], and Science, Aeronautics and Technology, $48 million programs. We must keep in mind that even though this may seem to be a significant addition, the budget of NASA over the last few years has been systematically cut. However, NASA has been able to continue forward with its involvement and leadership in the international space station.

As a Step I contingency activity do to the Russian Service Module delay, the U.S. Naval Research Laboratory is constructing the Interim Control Module [ICM] of the space station. Without these funds for fiscal year 1998, NASA would be forced to terminate the activity which could jeopardize the entire international space station international effort. It would place the entire international team in a position of having to solely depend on the Russian delivery of the service module. The valuable research that will result from the international space station would be in seriously jeopardy.

Just think of the Space Shuttle Columbia that lifted off on the first of this month and is currently flying over our heads even as we speak. This is a good first step to the many scientific experiments that will take place on the international space station. The experiments that are currently taking place, right now, on the manned space shuttle will benefit every single one of us here on Earth. The international space station will allow for even greater breakthroughs via scientific experiments in space. Human space flight if critical to performing necessary and beneficial research experiments in space and should be increasingly funded. When the Space Shuttle Columbia lands successfully today, the crew will have completed valuable scientific experiments and research that benefits everyone. The international space station promises to be ever more valuable to each and every one of us here on Earth.

By now, everyone is familiar with the successful landing of the Pathfinder Explorer on Mars. We have all seen the fantastic pictures of the geological feature and rocks on the red planet. Would this be possible if we did not adequately fund NASA—no. The national and international excitement that this mission has generated has been phenomenal. It is estimated that NASA's Jet Propulsion Laboratory web site, which displays pictures from Mars, will break the record for numbers of individuals to log into a specific web site. Funding of NASA is crucial to our continued leadership in space. Funding of the Russian Program Assurance is crucial to the continued international efforts of the international space station.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER].

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

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

The CHAIRMAN. Pursuant to House Resolution 184, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER] will be postponed.

PARLIAMENTARY INQUIRY

Mr. VENTO. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. VENTO. Mr. Chairman, on page 57, line 21, I have an amendment. Have we read to that point in the bill yet?

The CHAIRMAN. The reading has progressed beyond that point.

Mr. VENTO. This is in the same title.

The CHAIRMAN. The Chair was simply stating an answer to the gentleman's question.

Mr. VENTO. Are we on page 61, line 13?

The CHAIRMAN. The human space flight paragraph is pending.

Mr. VENTO. I have an amendment at the desk that amends that as well as a previous line in the bill. Is this amendment in order at this time, Mr. Chairman? It has been printed in the RECORD.

The CHAIRMAN. Only by unanimous consent.

Mr. VENTO. I ask unanimous consent to offer this amendment in this title, Mr. Chairman, in that it amends this particular provision.

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

Mr. LEWIS of California. Mr. Chairman, I reserve the right to object.

Mr. GILMAN. Mr. Chairman.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] has the time under his reservation to the unanimous-consent request of the gentleman from Minnesota [Mr. VENTO].

The gentleman from California [Mr. LEWIS] controls the time.

Mr. GILMAN. Mr. Chairman, will the gentleman from California [Mr. LEWIS] yield?

The CHAIRMAN. There is a unanimous-consent request pending before the House. The gentleman from Minnesota [Mr. VENTO] can withdraw his unanimous-consent request for the time being.

Mr. VENTO. Mr. Chairman, I withdraw my unanimous-consent request.

Mr. GILMAN. Mr. Chairman, I ask unanimous consent to submit a statement in support of the Solomon amendment that was taken up in title I, and ask that my statement be made part of the RECORD.

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

There was no objection.

Mr. VENTO. Mr. Chairman, I renew my unanimous-consent request.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] reserves the right to object, and controls the time.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I did submit this amendment for the RECORD yesterday. What it seeks to do is to reduce funding for the manned space program and transfer some money in the FEMA emergency food and shelter program.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I would say to the gentleman that we have received encouragement on both sides of the aisle from our leadership to proceed as rapidly as possible, and indeed, we have proceeded very rapidly this morning. We have two other bills that need to be completed by Thursday. Because of that, I would have to object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,690,000,000, to remain available until September 30, 1999.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for human space flight programs and science, aeronautical, and technology programs, including research operations and support; space communications activities including operations, production and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official reception and representation expenses; and purchase (not to exceed 33 for replacement only) and hire of passenger motor vehicles; $2,513,200,000, to remain available until September 30, 1999.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $18,300,000.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in ''Mission support'' pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

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

Mr. Chairman, I would like to engage the gentleman in a colloquy.

Mr. Chairman, the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations and I reached an agreement on the NASA transfer authority contained in H.R. 2158 for the International Space Station which allows the NASA administrator to transfer up to $150 million from the science, aeronautics, and technology account and the mission support account to the International Space Station Program. This authority is contained on page 64, lines 8 through 22 of the Union Calendar bill.

I agreed not to raise a point of order against the transfer authority in exchange for a commitment by the gentleman from California [Mr. LEWIS] that any conference report to H.R. 2158 containing transfer authority language would require NASA to obtain approval from both the House Committee on Science, in addition to approval from the Committee on Appropriations.

This agreement is critical to protect the oversight responsibilities of the authorization committee, and I thank the chairman of the Subcommittee on VA, HUD and Independent Agencies for his assurances that will require the NASA administrator to formally request, justify, and obtain prior approval from the Committee on Science before utilizing the transfer authority contained in this legislation.

In this way, the committees will be able to hold NASA accountable for any decision to transfer funds into the space station account. Is it the distinguished subcommittee chairman's commitment, based upon our agreement, not to support any conference report for H.R. 2158 which contains NASA transfer authority unless it also includes report language requiring prior approval, on a case-by-case basis, by the Committee on Appropriations and the Committee on Science of any transfers by NASA?

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

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

Mr. LEWIS of California. Mr. Chairman, let me respond to the gentleman from Wisconsin [Mr. SENSENBRENNER]. Based upon our agreement, it is my intention to encourage the conference to have report language that involves such oversight of any transfer responsibility. I expect I will be successful with that effort.

The gentleman has my assurances that the conference on H.R. 2158 will contain the language, insofar as I can convince the entire conference. I will be very surprised if they are not responsive.

In addition, I feel the gentleman should know that with this right does go our responsibility to deal in an expeditious manner on any agency request, and ask that the gentleman give me his assurance that he will deal with any such transfer request quickly.

Mr. SENSENBRENNER. Mr. Chairman, the gentleman does have my assurance of that. I thank the gentleman from California. I appreciate the new requirement that both the House appropriators and authorizers for NASA must improve future transfers.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I just want to indicate my own support for the position that the gentleman has taken with regard to the transfer authority. I also appreciate the fact that he has reached agreement with the gentleman from California [Mr. LEWIS], and I certainly will do everything that I can to help implement the agreement that has been reached.

Mr. SENSENBRENNER. I thank the gentleman from California.

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

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

Mr. ROHRABACHER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, there will be a vote on this floor on the amendment offered by

the gentleman from Wisconsin [Mr. SENSENBRENNER] on the amendment that he was kind enough to offer on my behalf a few moments ago. I hope my colleagues would look at this very closely.

It is the hope where authorizers who have spent a lot of time trying to determine priorities for America's space program were ignored, and basically one appropriator was able to use his power to change the priorities; where I have the greatest respect for the gentleman from California [Mr. LEWIS], we have a disagreement on what that priority should be in this particular case. I hope those people would stand up for a system that works and a system that is responsible; that is, with the authorizers as part of the process, and support the Rohrabacher amendment when it comes to a vote.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows.

Nothwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2000.

Notwithstanding the limitation on the availability of funds appropriated for ''Mission support'' and ''Office of Inspector General'', amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 1998 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do this for the purpose of entering into a colloquy with the distinguished chairman of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations, if the gentleman is willing.

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

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. I would be happy to, if the gentleman makes sure I know the subjects.

Mr. BROWN of California. Mr. Chairman, this has to do with the funding which the bill provides for the United States-Mexico Foundation for Science.

Mr. Chairman, I rise for the purpose of engaging in a colloquy with my good friend, the gentleman from California [Mr. LEWIS], and chairman of the Appropriations subcommittee. I want to commend the chairman for including in this legislation the small sum of $1 million each from the National Science Foundation, the Environmental Protection Agency, and NASA for the United States-Mexico Foundation for Science. The foundation funds Mexican and American researchers on projects of mutual interest and benefit, and has received support from the two governments since 1991.

I might interject that the Mexican government has been very supportive and has indicated the desire to contribute considerably more money than the United States. Government has at this point.

I would like to further clarify the chairman's intent regarding the interaction of these three agencies with the foundation. My experience over the past 6 years has been that certain Federal agencies have been more inclined to develop new programs for funding United States-Mexico cooperation, rather than utilizing this existing foundation. I would attribute these tendencies, I hope not unjustly, to typical bureaucratic self-protection.

Is it the chairman's intention to encourage these agencies to provide financial support to the foundation and to take advantage of the foundation's proven track record for developing and supporting joint research agendas between the United States and Mexico?

Mr. LEWIS of California. If the gentleman will continue to yield, Mr. Chairman, I appreciate my colleague having this colloquy regarding the United States-Mexico Foundation and our attempt to provide some funding flows for its work.

Mr. Chairman, $1 million is provided in the bill from each of the areas of the bill's responsibility that the gentleman has mentioned: EPA, NASA, and NSF. It is absolutely my intention to see that these funds flow to the foundation in order to coordinate these efforts.

The gentleman from California [Mr. BROWN] has been most effective in encouraging this kind of work, helping us better to deal with problems that we have along the United States-Mexican border. There is no question that this sort of prioritization is long past due. It it is my intention to work closely with the gentleman to make sure these agencies work in a cooperative manner.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman very much for his clarification and continued support. I hope the message will penetrate down to the lowest levels of the bureaucracy.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows.

Upon the determination by the Administrator that such action is necesssary, the Administrator may, with the approval of the Office of Management and Budget, transfer not to exceed $150,000,000 of funds made available in this Act to the National Aeronautics and Space Administration for ''Science, aeronautics and technology'' and ''Mission support'' to ''Human space flight'' for the International Space Station program, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred: *Provided*, That such authority may not be used unless for higher priority items than those for which originally appropriated: *Provided further*, That the Administrator shall notify the Congress promptly of all transfers made pursuant to this authority.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1998, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795), shall not exceed $600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year 1998 shall not exceed $203,000.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $2,537,700,000, of which not to exceed $228,530,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 1999: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California:

On page 65, line 18, after ''$2,537,700,000'' insert ''(reduced by $174,000)''.

□ 1245

Mr. LEWIS of California. Mr. Chairman, I believe my colleagues on both sides of the aisle know that there are few Members who have more support and admiration for the work of the National Science Foundation. It is reflected not only in our work on the floor but in the work of our subcommittee as well.

But from time to time even the best of our agencies find themselves going astray. And it was not very long ago that just such a misstep or misdirection took place at NSF in the application process for grants that are part of their responsibility.

It was my colleague the gentleman from Missouri [Mr. CLAY] from the other side of the aisle who brought this matter to our attention. And indeed this is not a partisan consideration but a concern by a number of Members on both sides of the aisle.

The purpose of this amendment is to address a problem that developed when a grant, as it went forward, caused a cross-section of academics to address themselves to some 200 districts across the country, essentially going into communities asking community leaders why they had not considered running against the person who was in office, regardless of party affiliation—Democrat or Republican—extending probes that, to say the least, have

caused a great deal of consternation in districts around the Nation.

It is my view that use of dollars in this form, that cross lines, that appear to be essentially almost anti-incumbent, are more than disconcerting to the body. This amendment is designed to send a message rather than anything else. It is my intention to discuss this matter further as we go forward from here.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, let me say to the gentleman that this matter which he has raised here has been brought to my attention very forcibly by a number of my friends and colleagues across party lines here in the House. I have been torn by the need to make a decision as to what is happening here.

Let me explain why. Generally speaking, I support good peer reviewed social science research by the National Science Foundation.

Mr. LEWIS of California. Mr. Chairman, I know the gentleman does.

Mr. BROWN of California. In this particular case, Mr. Chairman, I think there was the most inept foresight with regard to the impact of a research grant that I have ever seen. I think that we do need to send a message to the National Science Foundation that on issues of great delicacy, which they should have perceived this would be, there needs to be some action to prepare the proper attitude within the Members of Congress for this sort of thing. That was not done in this particular case.

I hope that the action that the gentleman contemplates will convey the message to the National Science Foundation that while we support good research, including good social science research, we think there should be some good judgment displayed over there in setting the groundwork for such items that may turn out to be controversial with the Members of Congress.

Mr. LEWIS of California. I believe the gentleman has capsulized my intent. A message is really my intent.

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

Mr. LEWIS of California. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, I rise in support of the gentleman's amendment. I want to make it clear from the beginning that I have been very supportive down through the years of the National Science Foundation. But this particular kind of incident has caused me to have some second thoughts about the wisdom of all of the grants that they have been permitting.

If there is one thing we do not need in this country, that is more Members, more people to run for Congress than presently run for Congress. I think that if people wanted to determine whether or not a person ought to run for Congress, then that is fine, but do not use the taxpayers' money for it. These universities that these two individuals work for certainly ought to sponsor a project such as this, if it is so great and so needed in terms of research and study.

I will support the gentleman's amendment and encourage others to do the same because to me it makes no sense to spend this kind of taxpayer money when we are cutting budgets, when we are cutting out Pell grants for worthy people who ought to be going to college, when we are cutting food stamps, when we are cutting all other kinds of worthy programs. I just think we are wasting the taxpayers' money in this instance, and I thank the gentleman for yielding to me.

Mr. LEWIS of California. Mr. Chairman, I intend to not debate this any further except to say that I hope that the Members would support the amendment by way of a voice vote. It is our intention to send a message here and hope that we can be effective in doing that.

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

Mr. Chairman, I apologize for being late to address the Sensenbrenner amendment. I would like to speak for a few minutes on the Sensenbrenner amendment. I think it is an extremely important amendment for the body to be informed of and to make a very, very calculated and careful decision.

PARLIAMENTARY INQUIRY

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

The CHAIRMAN. The gentleman will state it.

Mr. ROEMER. The parliamentary inquiry is, Is this the foreign aid bill that we are currently debating?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry.

Mr. ROEMER. Mr. Chairman, the reason I ask that is, I think we are going to get to that bill in a few minutes. The reason I ask that is, in reading through the report language on the VA–HUD bill, on page 88 we have references to the Russian program assurance. We have had a Russian contingency fund. We have had a Russian program assurance fund. Here we are talking about $200 million because the Russians are delayed and behind schedule.

It is completely opposite of the stellar success that we have had on Mars Pathfinder. I met with the director of the Jet Propulsion Laboratory this morning here in Washington and we discussed the wonderful success of NASA in putting the Rover on Mars. They stayed within a $267 million budget and they did phenomenal things for the country and for science and technology. But with this bill, this Russian assurance program, we are turning this bill more and more into a foreign aid, a back door foreign aid program for Russia.

I do not mind helping out Russia. I do not mind making sure, Mr. Chairman, that we keep Russian scientists from helping rogue countries develop nuclear weapons. But let us deal with that in the foreign relations and foreign affairs legislation that comes before this body. Let us not continue to send $1 billion, now, between Mir, rents for Mir, which is not working very well, between the Russian contingency funds, the Russian assurance fund and to reward the Russians for further delays that cost our taxpayers more and more money to put up the space station.

I am very, very concerned that we continue to, one, go above the $2.1 billion cap on the space station that we have had bipartisan support for; second, that we create more and more foreign aid in this particular budget for the Russians for delaying their program and not doing a good job in completing the space station on time and their components of the space station.

And third, Mr. Chairman, I think that we continue to find ways in the budget process to get around the authorizers; that the appropriators sit down and they say, well, I know Congress has agreed to a $2.1 billion cap but we are going to create these new funds that somehow finagle around that agreed-to, bipartisan, watchdog jurisdictional cap that we put on before. I think that that really flies in the face of what the authorizers are here to do and what Congress has been able to achieve by putting a cap on the space station in terms of expenditures.

I would encourage my colleagues to vote for the Sensenbrenner amendment to make sure that this $100 million does not get transferred overseas, does not reward the Russians for bad, poor performance in completing their segments of the international space station.

It is almost as if we have gone full cycle from the 1950's. In the 1950's, the United States and the Russians competed due to Sputnik. We both had horse races to see who could put a man on the Moon first. We have gone full cycle now to the United States taxpayers subsidizing the Russian program, not based upon performance, not based upon trying to keep the Russian scientists out of trouble but based upon poor performance, based upon delays and with the intent to get around the congressionally bipartisan, agreed-to $2.1 billion cap on the space station.

My parliamentary inquiry, Mr. Chairman, was, I think, an appropriate though facetious one. We cannot continue to turn NASA into a back door foreign aid program. They are doing too many good things with Mars Pathfinder, with Galileo, with the repairs on the Hubbell, with the demands that we must have on NASA to find ways to resurrect our manned space program because men and women in space are important. I would encourage my colleagues to voted for the Sensenbrenner amendment.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would remind Members that there is a pending

amendment before the Committee of the gentleman from California, and would suggest to Members that that amendment be dealt with prior to other discussions.

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

Mr. Chairman, I do want to address this amendment and I want to oppose it. A lot of my good friends are involved. I must say, I think the heat may be penetrating this building. Maybe we ought to check the air-conditioning.

Last night by a very large majority we involved ourselves in whether or not there should be a nude beach at a particular location. Prior to that I had always thought the expression a Member ''voting to cover his rear'' was metaphoric. Last night we apparently decided to make that literal.

We also passed an amendment yesterday in which I think we voted that the Earth was flat. We told the United Nations to get out of here with this biosphere stuff, and the black helicopter members scored a victory. Today it seems to me we will err again.

The proponents have said we should send a message. The message we are sending is that we have run out of things to legislate on that are of serious waste, or that we cannot decide tough issues and we are going to go off into a series of, I think, kind of silly byways.

Let me say first with regard to this National Science Foundation amendment, obviously this is involved with a particular project, one where someone presumed to study congressional elections. I must confess that I know one of the authors and think highly of him, and he reminded me that I taught him political science, so perhaps I have a real conflict of interest here. But it was a very long time ago.

I say that because, having read the proposal, I think it is a perfectly reasonable one. But that is not the point I want to make. The point I want to make is that judging whether or not particular academic research projects are good or bad is really not one of the things we are best at. The notion that this body should set itself up as a kind of appellate research council is, I think, one of the worst I have heard in a long time.

We do some things very well. I think this body serves democracy in a very, very impressive way. I think we meet a pretty strong standard as we deal with the value questions, as we deal with resource allocations. But I do not think that we make a very good set of academic censors.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to compliment the gentleman for his statement. I tried to be somewhat statesmanlike in addressing the problem, but I conceded that maybe a message needed to be sent merely because so many Members have become upset. I have been through this process many times in the past where Members would get upset with a research study involving the sex habits of Eskimos or the sex life of the screw worm or something like that, or just the title.

Mr. FRANK of Massachusetts. Has the subject of nude beaches for Eskimos ever come before the body?

Mr. BROWN of California. Mr. Chairman, I do not recall that it has. But this body can get very excited about something and when they do, using their awesome powers, they frequently make some major mistakes. That may be the case in this situation. But all we can do is try to help to educate the Members of the body that there may have been some validity in this research and hope that in the future they will scrutinize these more carefully.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman.

The point I want to make is that this is just not something we are good at or should try to do. Even if Members think that in a particular research project they made a mistake, we all understand that we are legitimately motivated by politics and electoral considerations. If we were not, we would not be serving democracy well. That is not a criterion that has any place in the selection of research subjects.

I would hope we could maintain a distinction that we would get the best people we can, give them their resources. I can understand an argument that says political science, although it once nurtured me, is not really a suitable subject for the National Science Foundation at all. But once we have put them in that business, for us to say we will pick and choose and if we are offended by a particular subject, even if Members may think it was a poor choice of subjects, I think it is an unwise power for us to get into exercising.

We then invite people who disagree with any choice of subject to come to us and set us up, as I said, as a kind of ultimate academic appeal council. I would hope that we would stop telling people what they have to wear when they swim and we would not try to repudiate the roundness of the Earth and that we would also refrain from intervening in the selection of individual research projects.

□ 1300

I do believe that on the whole the country will be worse off rather than better if we become the ultimate academic council.

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

Mr. Chairman, I rise in support of the Lewis amendment. I want to start by commending the gentleman from Missouri [Mr. CLAY] for having brought this matter to the attention of Members of the House. I also want to commend those members of the White House who have joined with him in the number of letters that have come to both the gentleman from California [Mr. LEWIS] and myself relative to this particular issue.

I do not think that anyone in the House has given greater support to the National Science Foundation than I have as the ranking member on this subcommittee. Over a number of years I have had the pleasure and privilege of giving strong support to the National Science Foundation. I think they do an outstanding job. I think that those programs are necessary programs. But I think in this case they overstep their bounds.

They overreached and they funded something that would have been better funded by private sources. I think they could have gone to the Democratic Party and the Republican Party and asked for funding for this project. It is also strange to me that, if the science that is being promoted by these two professors is so good, why neither one of their universities wanted to fund it.

It does not seem to me that this ought to fall within the category of taxpayer funded research, and for that reason I think the gentleman has a good amendment, I support the amendment, and ask Members to pass the amendment.

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

Mr. Chairman, the argument just advanced, that this may not be a proper subject matter for us to make inquiry, to me just is not logical. Not only is it a poor choice of subject that has been decided on by the National Science Foundation in awarding this grant for almost $200,000, it is an affront to every Member of this Congress.

Because these two professors start with the premise that we are not getting the best qualified people to serve in Congress, and that is what this study is about. They are saying they are going to take $200,000 of taxpayers' money, go out and find the best qualified people to run for Congress and then encourage them to do just that. They even talk about going back after they select who these individuals should be, going back into the districts and taking them to lunch or to dinner to ask them why they are not running for Congress.

So I think we have a legitimate and a perfect right to question whether or not the taxpayers' money is being spent in this kind of an abuse.

If I might, I will engage the chairman of the committee and the ranking member of the committee in a brief colloquy.

In support of the gentleman's amendment from California, I would like to inquire, would it be correct to say that in the context of the balanced budget agreement that it has been more difficult to find funding for many worthwhile projects, agencies and programs, including the National Science Foundation?

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

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

Mr. LEWIS of California. Mr. Chairman, I believe my ranking member and I both would very much agree with that.

Mr. CLAY. Mr. Chairman, reclaiming my time, would it also be accurate to say that the National Science Foundation, which has been very instrumental in advancing the frontiers of scientific knowledge that has enabled the United States to maintain its role as a preeminent world leader in scientific knowledge and knowhow has, over the years, received broad-based support from many Members of this body, including myself?

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

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

Mr. STOKES. Mr. Chairman, we both know, that is the gentleman from California and I, that the record will show that the gentleman from Missouri has indeed been a strong advocate on behalf of scientific research and the National Science Foundation.

Mr. CLAY. Mr. Chairman, again reclaiming my time, would the gentlemen concur that as funding for programs becomes even more difficult, that it is important that agencies be more sensitive to that reality and that they exercise greater care in the types of activities they become involved in and the kinds of projects they support, even though those projects may technically be within their charters?

Mr. LEWIS of California. Mr. Chairman, if the gentleman will continue to yield, I know the gentlemen from Missouri and the gentleman from Ohio are the best of friends, but separate from that, I am sure my ranking member and I absolutely agree with the gentleman's position.

Mr. CLAY. Mr. Chairman, continuing with this dialog, are the gentlemen aware of a project funded by the National Science Foundation called the Candidate Emergence Study?

Mr. STOKES. Yes, that study has been brought to the attention of both the gentleman from California and myself.

Mr. CLAY. Do the gentlemen join with me in questioning the wisdom of the Federal Government spending money to determine why people do not run for Congress, at the same time we are being forced to make painful choices, such as reducing support for school lunches for hungry children and reducing the amount of money available to provide shelter for homeless people throughout this country?

Mr. STOKES. Yes, both the gentleman from California and I would concur in the gentleman's judgment that such a study does not reflect the critical needs and priorities currently confronting us. And even though the amount of money used to fund the Candidate Emergence Study may be relatively small, that $194,000 could have helped to address more significant needs.

Mr. LEWIS of California. If the gentleman will yield further, I would follow up on the gentleman from Ohio's comments by saying that I have had discussions with absolutely the highest level within the National Science Foundation, and there is no question that there is embarrassment at the highest level relative to the way this pattern developed. And, indeed, not just the results but the format of the study that came from this grant is considerably different than some thought it would be.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words and I rise in support of this amendment.

Mr. Chairman, I am disappointed that the National Science Foundation has not been more careful with regard to its grant process and the sensitivity and impact which a candidate recruitment topic would have in this House. I must say, generally I think it is a good agency in our Government supporting important programs.

Mr. Chairman, I wanted to point out specifically, in taking a few minutes here, I know that we are very concerned about moving forward with the bill, and I thought we had had good cooperation, but I am deeply disappointed that the previous request that I made for consideration, even though we are in the same title, that title III was not granted and that we had moved so quickly on the bill ahead that I did not have a chance to talk about the program, the manned space program, which is $100 million over the amount requested by the administration, and an opportunity to transfer some of the money to the emergency food and shelter program that FEMA operates.

Mr. Chairman, this is the 10th anniversary of the McKinney Homeless Program, the emergency food and shelter program, since it was first incorporated into a 1987 law. Actually, our former colleague, Congressman Ed Boland, was the one that initiated the program in the early 1980's and I worked to authorize a similar initiative at that time.

Frankly, we should be celebrating the success of that program today and providing some additional dollars to at least bring it back to the 1995 level. But we are not going to be able to even have a vote or a debate, quite frankly, on that subject, other than the context in which I am speaking at this point, because of the lack of consideration for offering such amendment in the title.

It is a program, I think, that most of us recognize that has had good success. Often I think there is a discussion about whether there is compassion fatigue with regard to programs like the homeless. But I would hasten to point out to my colleagues that this program is really very successful in the sense that it has dealt with tens of thousands of Americans that have found themselves economic and social casualties in our society and, in fact, has brought them back into the mainstream and given them the wherewithal to not fall between the cracks and fail in our communities.

Furthermore, it is based on the private nonprofit efforts, which are operating on overload these days, if we have paid attention, in our cities and our rural byways, trying to respond to the desperate needs of people that are without shelter and sometimes without a meal. This program has been so effective, Mr. Chairman, in leveraging those dollars, in not taking on the program as a Federal program, as so often happens when the Federal Government gets involved, but in fact building upon a solid framework of these private groups.

And who are these groups in terms of the charitable council that manages these dollars? It is Catholic Charities, the Council of Jewish Federations the Salvation Army, and the Church of Christ in the U.S.A. These are the groups that are managing and using these dollars through the charitable council. And it has been remarkably successful with a very low administrative cost and bringing people along out of homelessness and into self sufficiency.

Now, surely we have not solved the problems of homelessness, but we have prevented and helped a lot of people move from beyond that particular circumstance in our society.

Unhappily, because of the technical procedures on the floor today, because I could not anticipate that we would not be considering the other amendments, I have been refused the opportunity, the consideration I think that is very reasonable, that I requested in the same title to offer this particular amendment. So we are really denying the opportunity to debate this, to consider the homeless out of order.

We have actually cut back these funds from 1995. The problems have not gone away. Ironically, in a good economy, very often we find with housing shortages that rents go up, so those that have these problems have more severe problems; and those that have disabilities. And as good as the programs work in terms of integrating people into our communities, in terms of mainstreaming them, we find that people sometimes make mistakes, sometimes oversights, and these programs are really the safety net that undergirds our opportunity to treat people in a responsible manner in terms of meeting their dignity food shelter or health care needs.

These are remarkably successful programs. I think they reflect the best of what we are about in terms of building on private sector, nonprofit, religious organizations that have dealt with this problem throughout its history. And it is too bad this House has not got the time today to debate amendments of this nature which are so fundamental.

We can authorize and make promises. These are promises that have been kept, I might say, with FEMA and the emergency food and shelter program. They were there when we needed them in floods or catastrophies, and they have been there for many, many other reasons but we need them for human catastrophies too. But it is too bad we cannot take the time today to debate, that I have to do it under these circumstances try under a different amendment. But I did not think that this bill should go by without at least my comments with regard to the homeless across this Nation. They need are help not a technical ruling that doesn't permit their consideration.

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

Mr. Chairman, I would like to engage the chairman in a colloquy for a few moments.

As the chairman may know, as part of H.R. 1275, the Civilian Space Authorization Act, which the House passed by voice vote, there was a provision which authorized appropriations of $8 million for the continued operation of the midcourse space experiment satellite within the Mission to Planet Earth at National Aeronautics and Space Administration.

MSX was constructed for the Ballistic Missile Defense Organization with a cryogenically cooled infrared sensor. As expected, the cryogen expired in February of this year, thereby rendering that part of the satellite inoperative. With the loss of the infrared sensor, BMDO's use of MSX is now limited. However, there is the availability of a lot of other sensor capability on the satellite, including the hyperspectral imaging system, which shows great promise as part of the Mission to Planet Earth.

While MSX would not replace any specific portion of the MTPE constellation, it would give NASA the opportunity to utilize MSX's unique hyperspectral imaging system at a relatively low cost. This system is fully functional and could help address numerous scientific and operational concerns NASA will have to resolve.

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

Mr. BARTLETT of Maryland. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman has discussed this matter with me personally, and there is little question that MSX represents an opportunity for NASA to incorporate an already constructed spacecraft into the Mission to Planet Earth. I believe NASA should pursue every opportunity available for cost savings in an area of great budget difficulty, and MSX represents just that type of opportunity.

Mr. BARTLETT of Maryland. Mr. Chairman, reclaiming my time, I thank the gentleman from California for his support.

Since the cryogenically cooled infrared sensor was operating until February of this year and BMDO was utilizing the satellite, there was not an opportunity for NASA to use this spacecraft. Given that NASA and BMDO have already signed a memorandum of agreement for the cooperative exploitation of environmental data from MSX, and that BMDO has identified that there will be over 50 percent availability of MSX for other users, the timing seems perfect for the utilization of MSX by NASA.

□ 1315

Mr. LEWIS of California. If the gentleman will yield further, it is clear that NASA needs to seize upon this opportunity to utilize this important spacecraft. I will work this conference to include language instructing NASA to incorporate the midcourse space experiment into the Mission Planet Earth Program.

I must say further to the gentleman that I do not pretend to have the expertise that the gentleman from Maryland [Mr. BARTLETT] has, let alone NASA has, in this subject area. But, indeed, the gentleman has piqued my attention, as well as my interest, and I look forward to working with the gentleman.

Mr. BARTLETT of Maryland. I thank the gentleman from California [Mr. LEWIS] very much.

Mr. BARR of Georgia. Mr. Chairman, I move to strike the requisite number of words to engage the gentleman from California [Mr. LEWIS] in a colloquy.

Mr. Chairman, I rise to seek a clarification on the appropriations for the EPA Clean Lakes Program which is made available under the State and Tribal Assistance Grants. It is my understanding that moneys made available under the Clean Lakes Program can be allocated to section 314 programs. Is that correct?

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

Mr. BARR of Georgia. I yield to the gentleman from California.

Mr. LEWIS of California. That is correct, that moneys under the Clean Lakes Program can be allocated to section 314 programs.

Mr. BARR of Georgia. Reclaiming my time, it is my further understanding that it may be the case that certain EPA regions are not using the aforementioned moneys for section 314 programs. This raises very serious concerns as to why the EPA in certain regions of the country would refuse to fund 314 projects.

I would ask the gentleman, as chairman of the VA/HUD Subcommittee on Appropriations, to request of EPA a report on what, if any, 314 programs have been funded in the past year. Further, I would ask that the report be compiled by region. In other words, I would, with the assistance of the chairman, request EPA to compile a report which states region by region what section 314 projects have been funded since June 1996. This report should be delivered to the Congress by August 31, 1997.

Would the chairman lend his active support to our effort in this regard?

Mr. LEWIS of California. If the gentleman would continue to yield, first let my say that I appreciate the gentleman bringing this matter to my attention. I have a special appreciation for his concern about a report that involves each region. Indeed, I appreciate his bringing it to my attention, And I look forward to working with the gentleman.

Mr. BARR of Georgia. Reclaiming my time, I would further request that if it is found that there are certain regions not performing section 314 projects, that the chairman would work with me in conference to author report language which would specify a specific dollar amount for section 314 projects.

Would the chairman assist in this regard, as well?

Mr. LEWIS of California. If the gentleman would continue to yield, I look forward to working with the gentleman further. And the answer is, yes.

Mr. BARR of Georgia. I thank the gentleman. I appreciate the chairman's assistance, and I yield back the balance my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

I thank the chairman very much, and I want to particularly thank the gentleman from California [Mr. LEWIS] and certainly the gentleman from Ohio [Mr. STOKES], the ranking member, for what proves to be a very unique set of appropriations and with special challenges.

Mr. Chairman, this is addressed to the gentleman from California [Mr. LEWIS], and I would certainly appreciate having an opportunity to enter into a colloquy with him. But let me just say that issues dealing with housing are very important, and there are many of us who have a great deal of concern because in our districts we are shortchanged on public housing, whether it is section 8 vouchers or public housing itself.

I appreciate the good work of this Committee on Appropriations, and particularly appreciate the work of the Committee on Housing and Urban Development, with the leadership of the gentleman from Massachusetts [Mr. KENNEDY] and the good work that he has done, disappointed that he is not able, as I was not able, to offer an amendment, and I hope that this will be cured.

But I wanted to offer an amendment dealing with increasing, in a compromised fashion, HUD section 8 rental assistance, recognizing the hard work of this committee to fund this for 19,580 new incremental section 8 vouchers for low-income families at a funding level of $119.5 million.

This amendment would offset this increase only by cutting funds from FEMA, Federal Emergency Management Agency, programs which would simply remove this account to the levels requested by the President. As I said, this is an effort to be fair.

These additional units, however, Mr. Chairman, will be made available for a highly targeted demonstration of using housing assistance to support State welfare-to-work activities. This has been part of the Republican agenda for welfare-to-work activities. This is a bipartisan compromise that every Member of this House could have supported if we had been allowed to bring this amendment forward.

The tenant-based housing assistance would support families in large cities who are either already working or making substantial progress in the transition from welfare to work. As I said, I applaud the work of the gentleman from Massachusetts [Mr. KENNEDY] and join him in the need for this type of housing.

In Houston, for example, Harris County, there are approximately 15,000 families on the waiting list for section 8 assistance. Also, the HUD housing office cites that there are 27,000 individuals on the waiting list for privately owned assisted housing.

If I could engage the gentleman from California [Mr. LEWIS] in a colloquy, because we work together on these issues. In fact, 2 years ago, I guess, I came to him on the placement question when I told him that in Houston, even though I know HUD has looked at one-for-one replacement, and I move from section 8 into that because it is important, in cities that are rural or southern we find that we have very low numbers of public housing from the beginning. Therefore, when we demolish or we take away from section 8 housing and we do not get one-for-one replacement, we are in trouble.

Might I inquire, first, the problem with us having the ability to come back with this amendment, but I know I will get a certain answer, but may I also inquire as to the gentleman continuing to work with me? We got sort of stalled the last time because a lot of people did not understand why does someone in Houston want to go back to one-for-one, which seems outdated and old. I have my facts.

Can I engage the gentleman's assistance? And the gentleman from Ohio [Mr. STOKES] has been so very gracious, because I appreciate his position, and I would like to engage him as well on helping with the one-for-one synopsis, it may not be called that, but getting more housing in areas where the housing stock is low, like public housing under 4,500 units for a city that has a million citizens.

Mr. Chairman, my amendment seeks to increase the bill's funding for HUD section 8 rental assistance—with this increase to be used to fund 19,580 new incremental section 8 vouchers for low-income families at a funding level of $119.5 million. This amendment will offset this increase only by cutting funding from FEMA's—the Federal Emergency Management Agency—programs which will simply remove this account to the levels requested by the President. I applaud Mr. KENNEDY for his longstanding commitment for being an advocate for the poor and low-income families not only in his district of Massachussets, but for the Nation.

Unfortunately, I am unable to support Mr. KENNEDY's amendment which attempts to fund the new incremental section 8 vouchers for low-income families, but he seeks to underfund the NASA space program. I do not believe that it is appropriate to cut the funding of NASA. It is true that the members of the Appropriations Committee saw the need to include additional funding for NASA's human space flight—$100 million—and Science, aeronautics, and technology—$48 million—programs. We must keep in mind that even though this may seem to be a significant addition, the budget of NASA over the last few years has been systematically cut.

Human space flight is critical to performing necessary and beneficial research experiments in space should be increasingly funded. When the Space Shuttle *Columbia* lands successfully tomorrow, the crew will have completed valuable scientific experiments and research that benefits everyone. Let's not take money away from NASA.

Mr. Chairman, these additional units of incremental section 8 assistance will be made available for a highly targeted demonstration of using housing assistance to support State welfare-to-work activities. This has been a part of the Republican agenda. Welfare-to-work activities. The tenant-based housing assistance would support families in large cities who are either already working or are making substantial progress in the transition from welfare to work. In Texas, this will allow for 1,200 additional section 8 vouchers for low-income families. This assistance will offer security to families making this difficult transition, and will allow them to choose housing in locations that offer access to jobs, education, training, and other services important to achieving long-term self-sufficiency. In the city of Houston/Harris County, there are approximately 15,000 families on the waiting list for section 8 assistance. Mr. Chairman, I revisit this issue because this bill has not earmarked any funds for one-for-one housing. This is the policy that establishes requirements that housing authorities replace, on a one-for-one basis, every unit of public housing the housing authority disposes of or demolishes. The public housing authorizing bill H.R. 2 eliminated one-for-one housing. This will thrust millions of American families into homelessness. The housing demand and the problem of homelessness is so great that we must provide as many options for affordable housing as possible. The Houston HUD office cites that there are 27,170 individuals on the waiting list for privately owned assisted housing.

Between 1978 and 1993, the number of families with worst-case needs grew by 1.5 to 5.3 million families with incomes below 50 percent of median who pay more than half of their incomes for rent and utilities or live in severely substandard housing.

Between 1985 and 1993, the supply of rental housing affordable to very low-low income families decreased. In 1993 there were only 6.9 million units affordable for the 8.6 million extremely low-income renter families. More than half of these units were occupied by families with higher incomes, thus making even fewer affordable units available for extremely low-income families.

Among working poor families with children—those with incomes below 30 percent of median, which is roughly the equivalent of the poverty level—67 percent of those not receiving housing assistance—675,000 households—have worst-case housing needs. Usually this means they are paying over half their income for rent; sometimes they are also living in severely substandard housing.

Families with this type of financial stress are in constant danger of falling behind in the rent and either moving to avoid eviction or actually being evicted. Tenant-based assistance can support welfare-to-work efforts by providing families with a stable and secure place to live while they get the training they need, seek employment, and make the transition to self-sufficiency. With a housing certificate, a family can either stay in a neighborhood where there are community supports and the mother has access to a job, or move when that move is in the family's interest and the family has been counseled about opportunities linked to housing locations that offer better access to jobs, schools, training, and other opportunities. This amendment is a bipartisan compromise that every Member of this House should support. I urge the adoption of this amendment to increase self-sufficiency of low-income families by providing them with affordable housing.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I am happy it enter into this colloquy with the gentlewoman from Texas [Ms. JACKSON-LEE] regarding a very important matter.

Her discussion and concern goes to the heart of how we got to one-for-one replacement in the first place, because there was a time in the country where we absolutely needed, to make certain when any public housing unit was taken out of the marketplace that it was replaced. A combination of things have occurred over time involving the fact that in some cases there was a shortage of capital, in other cases just plain bureaucratic problems. We found ourselves not tearing down old and dilapidated facilities and instead boarding up windows.

In the instance of my colleague, she has a special circumstance that reflects that original difficulty. I very much appreciate her concern, and indeed I am committed to trying to help her respond to the needs of her community. So I appreciate the point very much, and I look forward to working with my colleague.

Ms. JACKSON-LEE of Texas. Reclaiming my time, I appreciate the gentleman from Ohio [Mr. STOKES]. Let me thank him for always having a sensitive ear.

The CHAIRMAN. The time of the gentlewoman from Texas [Ms. JACKSON-LEE] has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 2 additional minutes.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the gentleman listening to me on this. And I wanted to bring to the attention of this body again the great need for housing in the Houston area, but particularly rural

and southern areas, where we have not had this large housing stock and where we have an enormous waiting list, both homeless and section 8.

Mr. STOKES. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. STOKES. I just wanted to join with the gentleman from California [Mr. LEWIS] in expressing to the gentlewoman that we appreciate the fact that she has brought this matter to our attention both in last year's bill and this year. And of course, we have stated to her, as we state again, that we are certainly going to continue working with her relative to the unique situation that she has in her city.

In my own case, representing a large urban center, I can understand exactly the type of problem that she is encountering, and we are going to try in every way to give her the kind of relief that she needs.

Ms. JACKSON-LEE of Texas. Reclaiming my time, I thank both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] for their kindness. I emphasize that we are in the midst now of rebuilding Allen Parkway Villa. I know that would be refreshing news to those of us, my colleagues, who are tenured in this Congress.

We still have the problem of having numbers under 4,000 and needing to replace some of those that have been torn down. I welcome the input and the creativity of my colleagues. Maybe this year, this session, I can bring this to rest and have a solution for those needing housing in the Houston area, but also impacting other southern and rural areas that have the same problem.

The gentleman from California [Mr. LEWIS] did tell me that, even though I fought hard to get this amendment on the floor, that we will not be handling the amendment at this time, but we will be working on solving the problem.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. The Members will be having a voice vote later on the amendment that the gentleman from Ohio [Mr. STOKES] and I support.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would once again remind Members that the pending business before the Committee is the Lewis amendment.

If there is no further debate on the Lewis amendment, the question is on the amendment offered by the gentleman from California [Mr. LEWIS].

The amendment was agreed to.

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

Mr. Chairman, I had contemplated, among others, in a bipartisan fashion offering an amendment to this title of this bill, and have decided not to do so but wanted to take this time to talk about the recently issued regulations by EPA on clean air and particulate matter in particular.

Having been involved with this since the first proposed standards were issued, I have made it my concentrated goal to know everything I could know and to read the scientific studies that have been put forth in regard to these regulations.

The claim is that these regulations are put forward on the basis that is the charge for the EPA to use the best available science. Well, in fact, that is not the case. The EPA has done what I think is an unconscionable wrong to this country. And what has exactly happened, Mr. Chairman, is we have taken a planned change in the air regulations and have gone to try and find science to support it.

The EPA claims that there are 67 studies that support their new regulations, and that claim is absolutely false. There are five studies, and it is generous to say that these are studies, but there are five different collections of data that monitor fine particulate matter. Only two of those actually measure 2.5 micron size particles. The rest are extrapolated data.

It is like a physician telling a woman she is going to have a boy child, a male child, because she has had three children before, all of which were females. The fact is that one does not connect with the other. The odds are still 50–50. In fact, the odds for having a healthy baby are much greater than the odds for this, the data put forth by EPA, to be inaccurate.

I want to discuss for a moment the studies because I think it is very important that the American public know what went on with these studies. The first is a Harvard six-city study that the data is not available to the rest of the scientific community to look at and say yes, their conclusions from this data are accurate.

As a matter of fact, the study that was correlated along with that, that used humidity in consideration for lung disease and lung problems, actually showed that the data put forth in the Harvard study was not right when in fact the confounding variables were considered. The risk of cigarette smoking was not considered in any of these studies. The risk of preexisting lung disease was not considered.

Mr. Chairman, it concerns me greatly that the Government of the United States has issued regulations that are going to cost the American public, the taxpayers of this country, $60 to $80 billion dollars a year under the claim that it is going to improve the quality of life.

If that is the case and the science can be shown to show that, then I will happily support it. But the truth is that there is not any science to support what the EPA is doing at this time. The EPA admits that. By the way, they have asked for additional money to study 2.5 micron particulate matter.

So what concerns me is that we as a Government are moving toward new regulations that are going to cost thousands of jobs, that are going to eliminate new opportunities for advancement for individuals in their employment opportunities in over 400 counties in the United States, because we think we might be able to improve some health, when the science will not show that we can.

Is it not a fact that we should know what we are doing? The greatest example is asbestos. The medical community now agrees we should have left asbestos where it was. We actually harmed more people, we actually spent and wasted a ton of money because we did not have the science before we acted.

Let not make that mistake again. Let us ask the EPA, let us ask the President, not to do this until they know what they are doing and they have the science that backs it up.

Mr. Chairman, I appreciate the opportunity to bring forth this area of interest. I am sorry that I did not have an opportunity to offer an amendment. I yield back the balance of my time.

□ 1330

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

Along with the gentleman from Oklahoma [Mr. COBURN], I had intended on offering an amendment to this bill which would have provided EPA with the necessary direction in pursuing a clean air strategy. Out of respect for the appropriations process and the need to move this bill forward without legislative provisions, we have decided not to offer this amendment today. Instead, we will work through the authorizing committees to ensure that we have a focused and rational clean air policy. Nevertheless, I feel compelled to take this opportunity to point out some of the flaws in EPA's approach to the decision to pursue the new national ambient air quality standards. Although an examination of the science behind the standards requires a great attention to detail, it is well worth the Members' time to do so. It may be easy to embrace a press release saying that we are protecting people but the facts do not show that this is necessarily going to be the result of these standards.

The Committee on Science held three hearings on the standards and has issued a bipartisan report of its findings and recommendations. The report is available on line at the committee's home page and I encourage anyone who is interested in this issue to read that report.

Among the most telling of the findings is EPA's inconsistency of the epidemiological studies, as it appears that EPA has placed greater emphasis on studies that support their conclusion while ignoring others that did not conform to their view of science. EPA has claimed that particulate matter studies have shown a wavering picture of adverse health effects. In testimony before the Subcommittee on Energy and

Environment, members of EPA's own clean air scientific advisory committee have stated just the opposite.

In responses to follow-up questions submitted by the subcommittee, Dr. George Wolff, the former head of the CASAC and Dr. Joseph Mauderly, the current head of the CASAC asserted that EPA did not give the same weight to the studies that were inconsistent with the conclusion drawn by the agency.

Dr. Wolff's response stated, ''There are many examples where EPA gives more weight to the studies that support their agenda, and they are very skillful, but not always convincing, in providing reasons to dismiss those studies that provide alternative explanations.''

Dr. Mauderly pointed out that EPA used a weight of evidence approach in assessing PM epidemiological study but went on to say that ''while this is not an inappropriate approach, it is true that EPA, and other investigators, have not expended an equivalent amount of energy on studies or data sets which show no relationship between PM and health.''

This irresponsible approach to assessing the public good cannot be condoned. How we go about maintaining air quality is too important an issue to rely on findings reached only by looking at data that supports a predetermined conclusion.

In the Committee on Science and in hearings before other committees, we have heard that these standards are being moved in order to ensure that monitoring data is collected and that needed research is conducted. We endorse that goal but we cannot endorse EPA's method of making it a reality.

Plain and simple, new standards are not needed to see that monitoring and research are funded. Our amendment would have funded those activities without the need of a presumptive standard.

Although we are not offering our amendment today due to the need to move forward with the appropriations process, we will pursue this approach through the authorizing committees. Specifically, it is our intention to move H.R. 1984, bipartisan legislation introduced by the gentleman from Pennsylvania [Mr. KLINK] which would make sure that we have adequate information about health effects of various pollutants before we pursue a regulatory solution.

Mr. Chairman, the President and Administrator Browner have said that they want to work with us on implementing the new standards so as to minimize their economic impact. What they fail to recognize is that even though these regulations will not come into force for many years, these standards will influence the decisionmaking of businesses today.

Anyone in the private sector who is doing long-term planning will have nothing to gain by doing business in areas that EPA says will not be in attainment. We are already seeing this in western Pennsylvania and are sure to see it throughout the country as more and more people recognize the significance of the new standards.

Mr. Chairman, I am for clean air. I have four children of my own. If I thought for 1 minute that delaying these standards would jeopardize their health, I would not be up here making this speech. However, I have taken the time to examine the evidence and all I am convinced of is that we need to know more. I am committed to finding the funds to do the monitoring and the research needed to develop consensus on policy on air quality.

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

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

Mr. MCINTOSH. Mr. Chairman, my Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs has also been looking at these clean air standards and the process which EPA and the White House have used to move forward on that. In developing its air quality standards for ozone and particulate matter, EPA has made an end run around good science, around common sense and around the real concerns of the American people.

With the blessing of Vice President GORE and the President, the agency is now finalizing these standards that may cost more than $60 billion but produce little or no health benefits and frankly put at jeopardy hundreds of thousands of jobs in this country.

In fact a friend of mine said, ''If you think NAFTA created a sucking sound to Mexico, wait till these clean air standards go into effect,'' because then we are going to see a lot of jobs move south of the border and it is going to hurt our good working men and women in this country.

Moreover, Mr. Chairman, these standards may in fact undo the considerable progress that our communities have already been making in attaining high-quality air standards.

When my colleagues think about the young children who are affected by asthma and other problems having to wait an additional 10 years because these new standards put on hold the progress that is being made, that is wrong and these standards are not good for those children.

EPA has ignored the widespread economic and scientific criticism that these standards have provoked throughout the entire Clinton administration and has done everything in its power to cover up those concerns.

Mr. Chairman, those objecting to the rule include the President's Council of Economic Advisers, the White House Science Adviser, the Commerce Department, the Transportation Department, the Treasury Department, the Agriculture Department, and the Small Business Administration in this administration under President Bill Clinton. The Office of Management and Budget staff found that the EPA rules, quote, did not fully conform with the administration's own guidelines for regulatory review.

The President's own Office of Science and Technology Policy objected that the standards are not based on adequate scientific information. Alicia Munnell of the President's Council of Economic Advisers observed that ''the incremental health risk reduction from more stringent standards is small, while costs are high.''

In fact, CEA estimated that the cost of fully complying with EPA's approach could reach $60 billion a year, not $8 billion that EPA has reported.

According to the Small Business Administration, these are the most expensive regulations faced by small businesses in over 10 years. A Department of Transportation analysis on the impact of EPA's standards on States and localities showed that the areas in noncompliance will face economically strangling restrictions to daily operations. However, the Office of Information and Regulatory Affairs, known as OIRA, the office in OMB in charge of supervising this interagency review of regulations, has made sure that the consideration of these regulations never addressed the concerns or heard those from the agencies who disagreed with EPA.

First OIRA, at the request of EPA, helped whitewash a report to Congress drafted by the career staff that was very critical of this regulation. Later OIRA imposed an unprecedented gag order on agency written comments so that these agency concerns were never fully submitted to the public record. As a result, the courts could decide that those concerns may not be taken into account when they review the regulatory process.

Mr. Chairman, this is not how OIRA is supposed to function. OIRA does not handle other rules this way. They are a neutral body in which every concern in the administration can be raised. I want to know who and what directed OIRA to make these questionable decisions. We have been asking to interview the staff to find out what went on, but OIRA has been working to cover up these efforts. They have refused and stonewalled my subcommittee's repeated attempts at oversight to request the facts behind this unprecedented gag order. OIRA has refused to produce documents. Moreover, they have refused to allow their staff to be interviewed by our subcommittee. OIRA has apparently decided that there is too much at stake in their coverup efforts to allow a trusted career employee to tell us candidly what happened.

I am convinced that this rulemaking will eventually be overturned by the courts because it was done under an illegal process. Apparently OIRA agrees that this is likely or at least probable and is doing everything in its power to keep that process under wraps.

Mr. Chairman, in conclusion I would have supported the amendment of my

colleagues. We need to do something about these regulations.

In developing its air quality standard for ozone and particulate matter, EPA has certainly made an end run around science, common sense, and the real concerns of the American public. With Vice President GORE and the President's endorsement, the Agency is now finalizing these standards that may cost more than $60 billion, but may produce little or no health benefits. Moreover, these standards may, in fact, undo the considerable progress that our communities have made in attaining the current air quality standards and implementing Clean Air Act programs.

However, nothing in the law requires the Agency to proceed blindly with standards that will have a multibillion dollar impact and that may not improve and may even degrade human health and the environment. Nothing in the Clean Air Act requires EPA to abrogate its responsibility to take a reasonable approach to regulation when the scientific data is uncertain.

Yet, EPA has ignored the very legitimate concerns raised all around about the wisdom of proceeding to issue very onerous standards in the face of inconclusive science:

EPA has ignored the advice of its own scientific advisory committee. The Clean Air Scientific Advisory Committee indicated that there is no proof that EPA's standards will measurably improve public health. In the case of ozone, they concluded that the proposed standard was not significantly more protective of public health than the current one. In the case of PM, they found significant uncertainty surrounding the health effects of fine particles. In their view, there is no compelling reason to set more restrictive standards at this time.

EPA has ignored the widespread economic and scientific criticism these standards have provoked throughout the Clinton administration, and has done in its power to coverup this dissention. Mr. Speaker, those objecting to the rules include the President's Council of Economic Advisers; the White House Science Adviser; the Commerce, Transportation, Treasury and Agriculture Departments; and the Small Business Administration.

For example, Assistant Secretary for Transportation Policy Frank Kruesi commented that it was ''incomprehensible that the administration would commit to a new set of standards without much greater understanding of the problem and its solutions.''

The Office of Management and Budget found that the EPA rules ''did not fully conform'' with the administration's own guidelines for regulatory review.

The President's Office of Science and Technology Policy objected that these standards are not based on adequate scientific information.

Alicia Munnell of the President's Council of Economic Advisers observed that, ''the incremental health-risk reduction from more stringent standards is small, while costs are high.'' In fact, CEA estimated that the costs of fully complying with just EPA's new ozone standards could reach $60 billion a year.

According to the Small Business Administration, these are ''the most expensive regulations faced by small business in 10 or more years.''

A Department of Transportation analysis of the impact of EPA's standards on States and localities showed that areas in noncompliance will face ''economically strangling restrictions to daily operations.''

However, the Office of Information and Regulatory Affairs, known as OIRA, has made sure that consideration of these concerns are never heard or remains behind closed doors. First, OIRA, at the request of EPA, helped whitewash a report to Congress drafted by OIRA career staff that was critical of the rule. Later, OIRA imposed an unprecedented gag order on agency written comments so that these agency concerns were never formally submitted for the public record. As a result, the courts may not take these agency concerns into accounting in reviewing the rules. Instead, OIRA imposed a highly questionable and unusual ''alternative interagency review process'' to deal with the standards. This is now how OIRA handles other rules. What and who directed OIRA to make these questionable decision.

Finally, the President's decision to back EPA was reached before the Agency's final rules were sent to OIRA for review, despite the requirements of the President's own Executive Order. Therefore, one of the most complex and expensive regulations were subjected to meaningless internal review.

Despite the serious evidence of improper conduct, OIRA has refused or stonewalled my repeated oversight requests to uncover the facts behind OIRA's unprecedented behavior. OIRA has refused to produce documents to my subcommittee, including even a copy of the very rule they are supposed to be reviewing. More significantly, OIRA has refused to allow my subcommittee to interview key senior OIRA officials, including the Branch Chief of the Natural Resources Division who drafted internal reports critical of the rule. OIRA has apparently decided that there is too much at stake in its current coverup efforts to allow this trusted career officer to be interviewed by my staff. I am convinced that this rulemaking will eventually be overturned by the courts due to the illegal rulemaking procedures. Apparently, OIRA agrees this is likely and is doing everything in its power to hide the truth from Congress and the courts.

EPA also has ignored the protests of numerous Governors and thousands of mayors that these standards will have an enormous impact on small businesses and will become one of the largest unfunded mandates ever faced by State and local governments. The era of ''big government'' is by no means over. These new standards will force onerous new control measures and unnecessary lifestyle changes on hundreds of counties that will not be able to comply. The costs of doing business will rise considerably, causing massive layoffs. As Assistant Secretary Kruesi noted, these standards will ''bring a significantly larger proportion of the population and more jurisdictions under Federal oversight and procedural burdens.'' Areas in non-attainment will have to adhere to stringent requirements regarding building permits and uses, transportation plans, industrial uses, and the like. In short, States and localities will face onerous constraints on their constitutional freedom to determine how to run their own communities.

Finally, EPA has ignored the thousands of comments by the general public that these standards may to more harm than good. EPA has completely failed to evaluate the potential negative health effects that might result from its standards. For example, setting a generic fine particle standard may result in controlling particles that don't significantly harm the public health, and not controlling ones that do. Reducing ground-level ozone may cause an increase in malignant and nonmelanoma skin cancers and cataracts, as well as other health risks from ultraviolet B rays. Moreover, the regulatory costs that will be transmitted throughout the economy will increase poverty levels. Workers and consumers will have less disposable income to spend on safety devices, on medical checkups and procedures, and on clean and safe housing.

In this rulemaking proceeding, EPA has openly and blatantly defied the laws passed by Congress that require the Agency to weigh all of these factors in determining how to put our scarce resources to the greatest social good. EPA has refused to comply with the Unfunded Mandates Reform Act, the Small Business Regulatory Enforcement Fairness Act [SBREFA], and the Regulatory Flexibility Act. These laws require agencies to determine the ''real costs and benefits'' to our society of regulations. They represent the only democratically acceptable approach to weigh uncertain scientific evidence and to properly evaluate potential adverse consequences to public health, environment, and the economy.

Once again, the President has bowed to the demands of special interests and the regulatory bureaucracy to increase EPA's authority and budget. EPA's standards represent an irresponsible and illegal rush to judgement that may undermine our Nation's efforts to clean the air. With these standards, we are getting a ''Yugo'' at Rolls Royce prices. No one in Congress should stand for this.

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

Mr. Chairman, I am a firm believer in good science and common sense, and I am also a firm believer in believing my eyes and what I see and what I breathe. People across this country today are fully aware of the consequences of the ozone problems. Just go outside across this country. Temperatures over 100, in the 90's, in the 80's. People are experiencing trouble breathing. This is not just my opinion. On the front page of USA Today, ''Breathing No Fun In The Ozone,'' and it has a picture of, of all places Washington, our Nation's Capital, as seen through a haze of smog. The Capitol barely shows through the ozone haze in Washington, DC.

The American people understand. There is a serious problem with smog in this country, and the American people appreciate the work that the EPA has done in addressing the pollution issues. We are talking about a practical matter here. How many of us today will walk through the tunnels instead of going outside because of the oppressive quality of the air? We are experiencing this. We have to consider the reality of what we are faced with rather than abstract ideas about what the effect of this law may have in the future, when we know right now we need strong air quality standards in order to protect the health of the American people. Do not take my word for it. Just go outside and take a breath of air.

In trying to clear the air here today on behalf of those who are concerned

about the EPA regulations, I also offer for submission into the RECORD the USA Today's article where they talk about ozone danger, ''What You Can't See Can Hurt You.'' Listen to what they describe as some of the problems of dangerous ozone levels, particularly in connection with these very high temperatures, soaring smog levels and stagnant high-pressure systems. They talk about ground level ozone, and it is the main ingredient in urban smog. Naturally occurring ozone in the upper atmosphere protects life by filtering the ultraviolet radiation from the Sun and ground level ozone is produced by vehicle or industrial emissions combining with sunlight and high heat during times of little or no wind.

□ 1345

And they have some of the effects and the health hazards. For example, and people know this, anyone who has experienced the problem of air pollution knows that we can get headaches from it, can irritate our eyes, nasal discharge, shortness of breath, lung damage, sore throat. These are all factors which the EPA actually took into account when they drew up the standards. They did it to protect the American people. The health hazards, high concentrations of ozone can cause inflammation and irritation of the respiratory tract. Ozone can increase asthma and allergy problems and susceptibility to lung infections. Ozone damage to lungs can continue days after exposure has ended.

Mr. Chairman, people know this from their own experience. This is why the EPA has stepped forward.

USA Today goes on to talk about who are the most vulnerable people. Mr. Chairman, we know. We know people in our family are vulnerable to it. They say the most likely to suffer ozone pollution effects are people with lung diseases, the elderly, children, and healthy adults who exercise outside. Children are especially vulnerable because they often play outside and in muggy heat, breathe more rapidly and inhale more air pollution.

Mr. Chairman, is it any wonder then that according to a recent poll an overwhelming 84 percent of voters believe that the current levels of air pollution are dangerous and pose a threat to the health of senior citizens, children, and others? People just have to look outside, and that is why they agree.

Now when informed the EPA is putting in place stricter air quality standards that would strengthen regulations on particulate pollution and ground level ozone, 70 percent of Americans favor those standards. Fully two-thirds of the voters agree with scientists from EPA and the American Lung Association that the best available science indicates the current levels of air pollution can create serious health problems. That is current levels.

Now we need to have standards in place over the next decade so that we can protect many more Americans from experiencing the adverse effects of increase in ozone and particulate matter. Two-thirds of the people agree with statements that certain businesses have tried for decades to scare people by saying that environmental regulations will hurt the economy and will cost jobs. But the regulations always ended up costing less when businesses have made a profit.

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

Mr. Chairman, my dear colleague from Ohio [Mr. KUCINICH] just made the point of those of us that are concerned about these new regulations that are being signed by Director Browner and being proposed by this administration. He is right. We are concerned when we go outside to Washington, DC, and other metropolitan areas around this Nation in hot weather like this and we can breathe the oppressive air. And we think that after sitting in many days of hearings, and understanding that there is not a scientific consensus surrounding these regulations, that money is better spent on making sure that areas like Washington, DC, comply by 1999, by a date certain.

And so if we are concerned about that 10-year-old child who is playing on a playground in Washington, DC, today, why would we want to implement questionable new standards before we have complied with the standards that we have currently? Why would we want to wait another 10 or 12 years until that 10-year-old child is in college before we take action?

What the administration has done today and what Carol Browner has proposed will put off the tough decisions for a later day, will allow the air and the immediate future to stay dirtier longer. The EPA has been saying that they are in favor of taking a wait-and-see attitude and the administration, with a wink and a nod, have said, ''Look at our compliance schedule. We're not going to change these things overnight. We're going to wait.''

Well, if they really wanted to wait until we had PM–2.5 monitors deployed around this Nation, if they wanted to wait until we actually analyze that data, then they would have sat and talked to those of us who have raised these concerns, the dozens of Members, of Democrats and Republicans in this House and in the other body, who have asked the President to sit down, to have a discussion with us. Not only did they refuse to sit and talk to us, they would not even acknowledge our letters.

In my previous life I was a journalist. We always know when someone is evading the question, when someone is filibustering when they are trying to give an answer that they are not happy about and that they are not really in their heart sure that their position is a strong one, and I think that is the reason that EPA has not wanted to sit and talk to us about this. It is why the administration has ignored even those of us from the President's same party who wanted to sit down and talk about a commonsense approach where we can achieve good commonsense clean air standards at the same time that we allow the State implementation plans to move forward, that we allow industry to continue to take the steps necessary that they need to make, the investments they need to make, to continue to clean the air.

I agree with Carol Browner and AL GORE and President Clinton that the Clean Air Act has been working. We have cleaned the air. We have made dramatic steps. I am afraid that what they are doing today will stop and will impede the progress that we are making and that we continue to make.

And that is why I would thank the gentleman from Illinois [Mr. LAHOOD] and many of my colleagues on the Republican side as well as my friends here on the Democratic side who have joined us on H.R. 1984. It is a bill that brings a commonsense approach, that says let us build the monitors, let us collect the data, let us do the science, let us authorize $75 million a year to make sure that this country is headed in the correct direction. Let us not stand in the way of meeting these deadlines, of meeting the targets, that the current Clean Air Act and the current regulations would have us meet.

As Carol Browner testified before our subcommittee for 8 hours in the Committee on Commerce, she talked about the problem of having two sets of regulation at one time, and how are we to believe with a wink and a nod that we are going to promulgate these new regulations but it is not going to have an impact when we know that under the Clean Air Act one citizen's lawsuit could change all of that and that the captains of industry that are out there making decisions as to what areas they are going to locate in, where they are going to be expanding industries, where they are going to be investing millions of dollars; those decisions are being made today, not 10 years from now, and they will not be building in areas that are going to be thrown out of attainment by these new regulations.

Four hundred counties across this Nation will not have a chance to see new jobs, neither an investment of new businesses or of an expansion of the businesses that are there. I have talked to businesses in southwestern Pennsylvania that have said, ''We're not going to make those expenditures in your region.'' They are going to go elsewhere, and I am talking about coming from an area where we have seen the loss of 155,000 manufacturing jobs over the last 2 decades.

I think that H.R. 1984 makes all the sense. I thank the gentleman for cosponsoring the bill and would propose that my colleagues also join us on that legislation.

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

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

Mr. LAHOOD. Mr. Chairman, in April of this year I, along with 10 other Members of the Illinois delegation, sent a letter to Carol Browner, the Administrator of the EPA, urging her to suspend promulgation of those proposed regulations so that further study and analysis could be completed.

In light of the Environmental Protection Agency's own recent acknowledgment that health benefits for those proposed regulations were overstated, I thought it was important that the Clean Air Scientific Advisory Committee attempt to reach a consensus on the health-related data that underlies the proposed regulations by doing further study and investigation.

Earlier on I had considered offering an amendment, but due to other considerations and other deliberations that will be taking place later on, I am not going to do that, but I do believe that asking an independent agency such as the National Science Foundation to conduct an impartial cost-benefit analysis is important, and I would like to ask the chairman of the subcommittee if there would be funds available for an independent agency to look at these standards that now today have been promulgated and will be printed in the Federal Register.

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

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

Mr. LEWIS of California. The gentleman from Illinois is correct. There is a need for this sort of continued and ongoing careful research, and further, I can say that there are additional funds available above and beyond the Presidential request. There are some $40 million, $35 million of those for PM standard evaluation and the balance for ozone. My concerns are very similar to the gentleman's and, if he would continue to yield, let me say that by way of background the gentleman from California [Mr. BROWN] and I share one of the most heavily impacted areas in the country in terms of problems with air quality. We have spent considerable time attempting to implement past regulations and, indeed, are having an effect upon air quality in the southland. I cannot tell my colleague whether we need additional, more difficult regulations or not, but I am very much convinced that there is a need for a better base of scientific work, and thereby I very much appreciate the gentleman's comments.

Mr. LAHOOD. Mr. Chairman, I appreciate the chairman of the subcommittee on this important matter setting aside or making available or having available some funds for this study, and I look forward, hopefully, to the opportunity.

I would like to finish my prepared statement because I want to be on record with the statement that I had prepared earlier.

According to published reports, the Department of Agriculture and the Small Business Administration raised serious concerns when the new regulations were first proposed. Chief among those concerns was the tremendously high cost that farmers and small business would have to pay in order to be in compliance with the new regulations.

The regulatory consequences for nonattainment would include bans on economic development, mandatory car pooling, sanctions on existing agricultural practices, and a greatly expanded vehicle inspection and maintenance program, the cost of which would probably lead to a motor vehicle fuel tax increase and/or regulations or outright bans on items of existing consumer convenience and choice, such as snow blowers, lawn mowers, powerboats, and charcoal grills.

In addition, the new regulations would increase my State's nonattainment areas from 11 counties to 23 counties. The present nonattainment areas are the eight-county Chicago and suburban Chicago area, and the three-county Metro East St. Louis area. New areas would include my hometown of Peoria, Champaign-Urbana, LaSalle-Peru, Effingham, Decatur, the Quad Cities, and a much larger Metro East area, and Jo Daviess County.

Illinois and the Nation has already paid a high price for existing Clean Air Act requirements. Our Nation's energy and industrial strength could be imperiled needlessly by new regulations, and it has been estimated that the Chicago area alone could face compliance costs of $5 billion. Other parts of the State and country could also have to incur the loss of thousands of jobs and billions of dollars in compliance costs.

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

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

Mr. LEWIS of California. The expression of concern by the gentleman is very important, and I know a concern is felt on both sides of the aisle. If there is a classic illustration of important public policy decisions having little to do with partisan politics, this is one of them.

While we have provided funding for additional scientific research, as I have suggested, monitoring and collection of data is very important as well, and the gentleman should know that there is an additional $25 million to help those States, especially the rural States, to participate in that work as well.

Mr. LAHOOD. Mr. Chairman, I appreciate the gentleman's commitment to the further study of this.

I think common sense dictates that all Americans want clean air, but common sense also dictates that Americans want reasonable and commonsense approaches to the way that we deal with these matters, and I hope that further study will enable us to reach an agreement and compromise in how we go about doing that.

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

Mr. Chairman, having worked on the Clean Air Act for over 22 years, I want to point out something that has happened in this body every 6 or 7 years. The industry gets people stirred up with predictions that we have to choose between a clean environment on the one hand and a thriving economy with jobs for our people on the other, and that is a choice that is a false one. Mr. Chairman, it is a false one that has been offered to us in the past, and the record has proved that it was a false choice.

The 1990 Clean Air Act was adopted overwhelmingly by a Democratic controlled Congress and heartily endorsed and signed by a Republican President. At that time we set in place a law that has worked successfully, not just as an environmental bill, but one of the most successful Government programs that we have ever had. Air pollution has been reduced dramatically in some places, and at a fraction of the costs that were predicted when we held all those hearings in preparation for that legislation.

□ 1400

I want to cite some examples. In August 1990 there was a group called the Clean Air Working Group. It was the principal business group fighting the Clean Air Act Amendments of 1990. They came in and estimated that the 1990 amendments would cost industry between $51 billion and $91 billion a year. In fact, compliance costs are now estimated to have been just $22 billion annually upon full implementation of the law in the year 2005, 57 to 75 percent lower than the industry calculated, nearly 10 percent lower than the Bush administration even estimated in 1990.

We passed a law, it took a long time to do it, to control the pollutants that cause acid rain. When we were discussing that, the electric utilities came in and said this is a terrible idea, even though we were going to use market mechanisms to reduce the cost of the compliance to get these pollutants down. They said, it is going to cost between $1,000 and $1,500 for every 1 ton of sulfur dioxide emissions that we reduce.

We went ahead and adopted the law, especially at the urging of President Bush. We had in fact an allowance of now under $100 a ton of SO_2 emissions. There are other examples I can go through. But the essential point that I want to make to the Members is that the choice that we are being told by some people, that we are going to have to choose between protecting the environment or with extraordinary costs protecting the health of our kids, asthmatics, the elderly that live in our communities, on the one hand, or protecting jobs on the other, is an absolute false choice.

There was the issue before the Administrator of the Environmental Protection Agency. She had recommendations from her scientific advisory board

as to what is the standard to protect the public health. The Clean Air Act calls for her to set that standard. She set it based on good science. The President has said that those standards are to go into place. It is going to take maybe as much as a decade to reach those standards.

In the meantime, we can evaluate the science as more information might come up. We can develop implementation plans that are commonsense plans.

We were told in 1990, no more power lawnmowers, no more backyard barbecues. You cannot have a strong Clean Air Act. It will drive people out of business. People will lose their jobs. It is just not true. That has not been the reality. The dire consequences that industry has predicted have not and will not come to pass.

Mr. Chairman, I want to point out that the law was adopted in 1990, and we are now in the seventh year of an economic boom. We can show Members the statements made by some of these same people that are making these statements today, that our economy is going to be lost. So I want to put a little sense of perspective in this debate when Members come here with a great deal of anguish about the Clean Air Act.

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

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

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague yielding. He and I have worked together regarding clean air matters for many a decade, and indeed, in the California Legislature we worked on the establishment of what is the toughest air quality management district in the country.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 3 additional minutes.)

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

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

Mr. LEWIS of California. Mr. Chairman, upon arriving in Congress, I was privileged to join my colleague in sponsoring legislation that would lead to the development of alternative fuel sources for automobiles. Indeed, we are both committed to this subject area.

However, I would say to the gentleman from California [Mr. WAXMAN] that I think he knows that I am among those who now are concerned that we make absolutely certain that we move along a pathway that is based upon sound science, particularly as it relates to people's health. That has to be our priority. But indeed, at this moment I am concerned about the kind of information flows that are coming between the Environmental Protection Agency, the administration, and the Congress.

The gentleman has taken some steps, I believe, to help improve that communication. Some of those channels opened just recently. I appreciate that. But it is most important to me that we not take steps without sound science if those steps would lead to undermining the credibility our past clean air efforts have developed.

It is a very delicate moment. I certainly do not join those who are bringing the entire roof down as a result of every proposal, but in the meantime, that is why we have this funding in here for outside research by NIEHS to develop sound science and continued scientific work. So I appreciate continuing to work with the gentleman.

Mr. WAXMAN. Let me say to my good friend, the gentleman from California, that I know of his work in this area. We have collaborated together for a strong Clean Air Act. I know he has a strong commitment to cleaning up the environment and protecting the public health. I join the gentleman in wanting to be sure that we have good science upon which we make our determinations.

I think that the Administrator of the Environmental Protection Agency did get good science. Science is never definitive. We are always learning. That is why I do appreciate the fact that the gentleman is calling for more money to continue to review the scientific information.

If there is more information that comes about, an adjustment should be made and I think that is appropriate. We do not want anything frozen in any incorrect way. We have to respond to new information and new circumstances.

But the Clean Air Act, as the gentleman knows, has been a success because it is based on protecting the public health and based on a standard that is set, given the latest scientific information we have. Let us continue to review it, but I think that the standards that are being promulgated are worthy of going into effect because the science, I feel, is sufficient for the Administrator to making the determination.

Mr. LEWIS of California. I look forward to working with the gentleman.

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

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

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

Mr. VENTO. Mr. Chairman, I appreciate the gentleman yielding and the points being made on this act. I appreciate especially the forbearance of Members who had planned to undo the work. I hope we can work with the EPA. This is an important issue. I happen to support the position of the gentleman from California on this, and I urge Members to continue to review this and monitor it.

Mr. Chairman, I opposed the amendment offered by Representative TIAHRT to reduce and or defund AmeriCorps but not because I do not care about our U.S. veterans as my colleagues on the other side of the aisle might have you think. On the contrary, I have nothing but great respect for the men and women that served our great Nation. It is because of this very respect for service that I must oppose the Tiahrt amendment. It goes without saying that we need to research the causes of gulf war illness, but this is not the appropriate funding with which to conduct that research. Furthermore, approximately $100 million are provided to research this illness which too many in positions of authority have denied even exists.

Last year, more than 25,000 AmeriCorps members served across the United States. AmeriCorps members assisted more than 11.5 million people, collected almost 1 million pounds of food, and distributed 5,000 pounds of clothes. Participants in the AmeriCorps program ran violence-prevention after school programs for nearly 50,000 youth and developed and distributed almost 40,000 packets of information on drug abuse, health care, and street safety.

AmeriCorps volunteers immunized almost 65,000 children and adults, cleaned up over 3,000 neighborhoods, rehabilitated nearly 5,000 housing units, tutored over 500,000 children, and the list goes on. And let me not fail to mention the fact that the AmeriCorps Service Program leveraged almost 700,000 hours of service by unstipened volunteers last year.

My point is that AmeriCorps works. No matter what my colleagues on the other side of the aisle may tell you or what groups they may try to pit against each other—AmeriCorps works and is needed. The stipend paid AmeriCorps participants is needed by the degreed student graduate with tens of thousands of loan dollars owed. Graduates today don't have the financial ability not to respond to this in a modest way with a stipend.

This spring as all of you I am certain will recall, the Midwest was ravaged by the most horrible flooding in over 500 years. The floods were of truly Biblical proportions. People lost their homes, their belongings, and sometimes even the Main Street in their hometowns. Volunteers from the AmeriCorps Program did the State of Minnesota and the entire Midwest an invaluable service—they helped save the Heartland. AmeriCorps volunteers pitched sandbags, helped displaced families find emergency shelter, coordinated emergency food and medical deliveries in addition to leading other volunteers in one of the toughest battles against nature in five centuries. These teams of AmeriCorps workers were Red Cross trained and certified and they stayed with those Midwestern families until the end, and in fact some are still there working.

So you ask yourself if AmeriCorps is a necessary program and if you hesitate in your response, I can introduce you to tens of thousands of people from the flood ravaged plains of the Heartland who could make you certain that yes, indeed AmeriCorps is a necessary program.

I urge my colleagues to vote ''no'' on the Tiahrt amendment and to truly defend service. I have an editorial from the St. Paul Pioneer Press outlining the merits of the AmeriCorps Program which I would like to submit for the RECORD.

The material referred to is as follows:

[From the St. Paul Pioneer Press, June 29, 1997]

AMERICORPS WINNING CONGRESS TO ITS SIDE

(By Bill Salisbury)

Instead of holding traditional graduation ceremonies, about 350 Youth Works/AmeriCorps members from across Minnesota traveled to East Grand Forks and Crookston on Thursday and Friday to help in the ongoing cleanup after this spring's devastating floods.

To mark completion of their year of community service, the young volunteers helped child-care providers repair their homes, unloaded truckloads of donated supplies and removed sandbags.

While they were toiling in the Red River Valley, congressional budget-writers here were deliberating over the fate of AmeriCorps, President Clinton's 4-year-old pet program that gives students financial aid in exchange for a year of paid service.

The program is a favorite target of Republican critics, who see it as a political boondoggle and argue government has no business promoting volunteerism. They say the 24,000 AmeriCorps members are a drop in the ocean compared to the estimated 80 million Americans who do charity work of their own accord.

Critics question whether spending tax dollars on paid volunteers—each receives a $7,600 living allowance plus a $4,725 scholarship—should be a high priority in a time of tight budgets.

Last year, the House voted to zero out AmeriCorps' budget. It was restored later in negotiations with the Senate.

Former Sen. Harris Wofford, CEO of the Corporation for National Service, which runs AmeriCorps, answers the critics by measuring the results of the programs to show that they ''get things done.''

Last week, he trotted out a study of AmeriCorps accomplishments in 1995–96. In all, the study concluded, more than 9 million individuals benefited from AmeriCorps service.

Hardly anyone disputes that AmeriCorps volunteers do good work. The question is: Why do we need full-time, paid volunteers?

Answers Wofford: ''You can't put part-time volunteers to use unless full-time people are there to set up the projects they're working on.'' He believes the AmeriCorps response to the Red River flood makes the case for full-time volunteers. At the request of the Red Cross, 15 members of the program were sent to Grand Forks on April 12.

Other teams followed. They pitched sandbags, rescued flood victims, helped displaced families, assisted at temporary shelters, coordinated emergency food delivery and conducted damage assessments. More than 70 AmeriCorps members were in the flood region, and teams are still working there.

Trained by the Red Cross in first aid, CPR and other skills needed in natural disasters, the teams ''provided a cadre of leaders who organized other volunteers,'' Wofford said. ''They came in fast, and they're staying to the end.''

AmeriCorps volunteer Sheila Slemp, 24, of Big Stone Gap, Va., just finished a four-week stint in Grand Forks. She didn't provide much leadership; she did back-breaking work on a ''mud-out'' crew. They cleaned sludge out of basements.

''Every time you went into a different house, you just prayed for the drains to work,'' Slemp said. Most didn't, so the volunteers shoveled the muck into buckets and hauled it upstairs by hand, all day long. They slept on a college gym floor at night.

''No matter how tired you were, meeting the people we were helping made it all worthwhile,'' Slemp said. The homeowners appreciated the help. Many cried in gratitude, she said. ''Other people told us that we gave them hope not only for their own future, but hope for the next generation.

''Seeing the expressions on their faces and realizing we can make such a difference makes it more than worthwhile,'' she said. ''You don't get that kind of satisfaction many places.''

Slemp is finishing her year of service and preparing to use her scholarship to attend Case Western Reserve University, where she plans to get a graduate degree in social program administration.

It's volunteers like Slemp who seem to have persuaded Congress that AmeriCorps is worth keeping around after all. Last week, a House appropriations subcommittee voted to continue funding AmeriCorps at its current level. That was just the first hurdle in the budget process, but it probably was AmeriCorps' biggest obstacle.

It signaled that the biggest program that Clinton has added to the federal bureaucracy is likely to stick around for a while.

Mr. WAXMAN. Mr. Chairman, whenever we have done clean air legislation we have done it on a bipartisan basis. It has never been a partisan issue. It should not be. We have always done it by trying to get all the very best information, but we should never give in to those who want to give us that false choice of an economy that is thriving and jobs on the one hand and protecting the environment on the other. We do not need to make that choice and history has borne out that we can have both.

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

Mr. Chairman, I rise in strong support of this legislation. My fellow Californian and my close and good friend, the gentleman from California, Mr. JERRY LEWIS, should be commended for crafting a very responsible bill which will help us lead to cleaner air in the future. Among its other strengths, it protects veterans, improves housing programs, and ensures a cleaner environment.

I want to highlight a particularly important provision of the bill, as we have been discussing. As we know, the President has thrown his support behind EPA's proposed air quality standards for particulate matter and ozone. Whether Members support these standards or oppose them, one thing we should all agree on is that we need to do more research if we are to guarantee adequate protection for our children and the elderly.

As the chairman of the subcommittee that authorizes EPA's Office of Research and Development, I introduced a bill which passed through Congress and through our committee on a bipartisan basis unanimously to provide research money above the administration's request.

In three hearings we held on the matter, the scientific experts all concluded that the science was inadequate at this time. They said we needed additional funding to get at the very basic questions about the health effects of ozone, and particularly small particulates at the 2.5-micron-and-below size.

I am pleased that the gentleman from San Bernardino worked closely with me to provide the funds in this bill, and it is further evidence of his dedication to a cleaner environment. I congratulate the gentleman and thank him for his work.

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

Mr. Chairman, I have been listening to this discussion of these clean air standards promulgated by EPA with some interest. I am very glad that EPA has promulgated these standards. There has been increasing scientific evidence for a long time, and in particular with respect to the very small particulate matter which previously was thought not to have deleterious impacts on health and now we know has the most severe impact on health.

I think it noteworthy that it was the scientific people in EPA who said to promulgate these standards. Where did the questioning come from? Not from the scientific people, the health people, but from people in the Office of Management and Budget, from people concerned with budgets and economics.

Mr. Chairman, I agree with the gentleman from California [Mr. WAXMAN]. History shows us that it is a false choice to say the environment or jobs. We have had much more stringent environmental regulations than previously and we have had the greatest boom in recent history. What history shows us is that far from being an economic detriment, stronger compliance with clean air standards, stronger clean air standards, leads to the creation of jobs in attaining the clean air standards.

Yes, companies have to spend money. Local governments have to spend money in attaining clean air, higher clean air standards, in cleaning up emissions. But what do they spend money on? They spend money on more equipment, on scrubbers, which someone must manufacture. They spend money. They spend money on technology or on different means of waste disposal, all of which creates jobs. So I do not think that there is a conflict here.

But even if there were a conflict, how do you say to a mother of a child dying from asthma, or a middle-aged person in severe respiratory distress, ''That is too bad, it would have cost an extra penny cigarette tax or an extra 2 cents gasoline tax to save your life and the lives of several thousand people like you''? I do not see how we make that equation. I would not want to be in the position of having to explain that to people in health difficulties.

Mr. KENNEDY of Rhode Island. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, it is a good point the gentleman is making. The fact is, we hear a lot about this questioning of scientific data on this issue. The fact is, we can talk to any pulmonary physician, any doctor that takes care of people with asthma, emphysema, any kind

of pulmonary disorder, and they will tell us, when any region of the country is in noncompliance they see a correlation between that region of the country being in noncompliance and a higher rate of incidence of asthma and hospitalizations due to pulmonary disorders.

So there is not a lot of confusion. There should not be any confusion on this floor about the health effects of air pollution, and most particularly on a day like today, when we are seeing a red alert here in the District of Columbia and in my region in New England. We are seeing higher hospitalizations as a result of this poor air quality.

Woe be on us if we do not do something to improve the air quality by moving forward with these EPA recommended standards.

Mr. NADLER. Reclaiming my time, Mr. Chairman, I thank the gentleman. He is entirely right. Any doctor will tell us that, especially with the ozone and the small particulate matter these regulations will for the first time deal with.

The gentlemen say that these new regulations will put 400 counties into noncompliance. That may be so. But that does not tell us that that is a terrible thing. That is a good thing. It means that we will start bringing up the breathability of the air in those 400 counties so people do not die or suffer health effects from breathing bad air in those 400 counties.

My own county of New York County is in noncompliance with current regulations. I wish the enforcement of EPA were stronger so we could get our city and State governments to take stronger action that some of us have been fighting for for years. So the fact that lots of areas will not be in compliance says we have now discovered that they are not in compliance, it is a fact of physics, it is a fact of health, it is not a thing to be deplored, and that we will now start curing that problem.

Again, there is no economic problem. We are told always that there is an economic problem. History does not bear that out. The science is good science. Those who oppose this science, we hear every time when we come to this, the industry says it is bad science. It is like the tobacco companies saying that the Surgeon General and EPA had bad science. I trust the professionals and EPA to make those decisions more than I trust people in industry with a vested interest, or for that matter, people in this House who have political and other interests.

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 30 additional seconds.)

Mr. NADLER. Mr. Chairman, these decisions ought to be made on the basis of the health and scientific evidence. That is why the Clean Air Act asks the EPA to update this data every 5 years. They have done that. We should not interpose a political judgment. If we need help for governments, local governments, for industries to attain these clean air standards, let us legislate that. Let us appropriate money if necessary. But let the science be the science. Let the health of our citizens be paramount. Let us protect our people.

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

Mr. Chairman, I realize we are on title III, but since title II passed so fast, I did not get the chance to offer my amendment. For 5 years I have struggled with the Department of Housing and Urban Development to help the citizens of my district in Houston.

Houston is a city with a growing population, and with this growth there is a definite need to address the issues of more affordable housing and access to HUD programs.

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Over the past 5 years I have tried to work with HUD and have received various verbal commitments and assurances that Houston, the fourth largest city in the Nation, would receive the necessary HUD staff and programs to be an effective agency for the citizens of Houston.

I have written numerous letters to HUD about this request. In fact, in a 1994 HUD memo from the Secretary's office, it suggested that the Houston field office be upgraded and receive all the available programs. Again, Houston is the fourth largest city in the country, and out of the 10 largest metropolitan areas, Houston is the only one without a fully serviceable HUD office.

With this amendment, I was going to send a message, realizing that on an appropriations bill we cannot legislate, but I was going to send a message to HUD that the citizens of Houston need an office of community planning and development and also an Office of Inspector General, making all HUD programs available in our Nation's fourth largest city.

The office of community planning and development provides technical assistance and the monitoring of State and local entities receiving Federal funds to assist with elderly and disabled housing loans, CDBG and funds for Houston's enhanced enterprise community.

When I go back to my district and I talk to seniors and families and local elected officials from Houston and from Pasadena, they all have some concerns about housing for the elderly. An office of community planning and development would aid the citizens in my district and the district of the gentleman from Texas [Mr. BENTSEN] to gain access and administer funds to renovate, locate, and build elderly housing. This office also oversees the funding and provides technical assistance to Houston's enhanced enterprise community.

HUD came up with a great idea to provide funds to local governments to help their economically disadvantaged areas. These areas are called Empowerment Zone and Enterprise Communities. Through tax breaks to businesses and access to Federal funds, HUD hoped to revitalize disadvantaged areas. Houston has an enhanced enterprise community. We have access to almost $200 million to help revitalize parts of Houston. It would be a shame not to have a local HUD office that could work with us.

Another program office that we do not have and is very needed is the office of inspector general. An office of inspector general has the mission to locate fraud, waste, and abuse in HUD programs. The most recent and blatant misuse of taxpayers' dollars is the dealer portion of the title I program. The title I program is designed to give people an opportunity to fix and improve their homes.

Unfortunately, there are some people who took advantage of this program for their own gains. The dealer portion of title I allowed a contractor to solicit homeowners into applying for a loan. Then the contractor would receive the money directly, do partial improvements, and keep the rest of the money while the homeowner had to foot the bill.

KTKR–TV in Houston investigated this abuse and they reported a whopping $50 million was stolen by corrupt dealers in Texas alone. They confronted contractors and even went to the HUD office here in Washington looking for answers. HUD's response was to eliminate the dealer portion of title I, which helped us, but again we could have caught this long before. If we had had an inspector general in Houston instead of being in the nearest office which is Fort Worth. Fort Worth, which is 200 miles from us, and with their budget crunch we could not get people to travel from Fort Worth to Houston to do the investigation. Again, this happened in the fourth largest city in the Nation.

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

Mr. GREEN. I yield to the gentleman from Texas.

Mr. BENTSEN. Mr. Chairman, I just want to echo the gentleman's comments. This is very important. I am sorry that the gentleman was not able to offer his amendment. But we are talking about the fourth largest city in the Nation, the third largest county in the Nation.

The fact is that there are other offices in smaller areas, smaller cities such as Miami, Albuquerque, where HUD has put the resources. We are not asking necessarily for additional staff but we are asking for the powers to address these problems, to ensure that the HUD programs are carried out properly and that we do not have the abuses like we have had with the title I program.

I commend the gentleman for offering his amendment or speaking on it.

Mr. GREEN. Reclaiming my time, Mr. Chairman, again the amendment was not germane because we cannot legislate on this appropriations bill. Again, the purpose of this amendment was to give us an opportunity to talk about Houston's situation. I appreciate both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES], the ranking member, for their assistance in working on this issue.

This did not just came up yesterday. We have a chronology of letters starting in 1995, but also personal visits for 5 years with HUD officials to talk about upgrading the office and needs of Houston. HUD, plain and simple, has been unresponsive to the needs of the citizens of Houston. Because of this, those of us who share Houston, Mr. Chairman, will be back and looking to see that the citizens of Houston get the service they deserve.

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

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

The CHAIRMAN. The time of the gentleman from Texas [Mr. GREEN] has expired.

(On request of Ms. JACKSON-LEE of Texas, and by unanimous consent, Mr. GREEN was allowed to proceed for 1 additional minute.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to applaud the gentleman for his foresight on this amendment. I am sorry that his amendment was not offered. I wanted to join him in the great concern for an enhanced HUD office in the Houston area serving all of our districts.

Particularly I want to emphasize the need for an inspector general, and, as well, the gentleman is right with the enterprise zone money. We want the best utilization of those enterprise zone moneys, and a planning component would be vital. I hope HUD will listen to us. I hope that we can again have another meeting, this time with Secretary Cuomo, on this very important issue that would help enhance this area.

Mr. GREEN. Mr. Chairman, again, I thank the chairman for the commitment to work with us over the next year, and we will be looking for other opportunities to address the needs of Houston.

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

Mr. Chairman, I would like to engage the chairman in a brief colloquy regarding the Center for Space Power. The Center for Space Power is located at Texas A&M University in College Station, TX, in the Eighth District which I represent. The center provides many positive benefits to the space industry, such as developing technologies for space power, commercial ventures, and conducting research and development for space power with NASA.

Mr. Chairman, I would like to work with the gentleman to request inclusion of language from last year's appropriation legislation which recognizes the very positive contributions of the Center for Space Power and urges NASA to continue to support this activity, and hope that the chairman agrees with me.

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

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

Mr. LEWIS of California. Mr. Chairman, I very much appreciate the gentleman bringing this to my attention one more time and in doing so representing his district so well. I thank the gentleman for his remarks and pledge to work with him on the issue as we move through the conference with the Senate.

I might add further, for the Members, the amendment pending is supported by the gentleman from Ohio [Mr. STOKES] and me. It will be passed by a voice vote, and following that I believe we will get to the end of the title and have a series of votes at that point in time.

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

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, $175,000,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $632,500,000, to remain available until September 30, 1999: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles, not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services and headquarters relocation; $136,950,000: *Provided*, That contracts may be entered into under ''Salaries and expenses'' in fiscal year 1998 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $4,850,000, to remain available until September 30, 1999.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $70,000,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $23,413,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

AMENDMENT OFFERED BY MR. WISE

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

The Clerk read as follows:

Amendment offered by Mr. WISE:

At the end of title III, insert the following:

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Chemical Safety and Hazard Investigation Board, as authorized by section 112(r)(6) of the Clean Air Act, $3,000,000 which shall be derived by transfer from amounts made available in the account for ''ENVIRONMENTAL PROTECTION AGENCY—Environmental Programs and Management''.

Mr. WISE. Mr. Chairman, following the discussion I believe there are several Members that wish to discuss this. The agreement I had with our chairman and ranking member was that we would then move to or ask permission to withdraw the amendment.

It is important to have this amendment up for discussion. What this amendment does is to remove, to transfer, not to remove but to transfer $3 million from the EPA Environmental Programs and Management Fund to the Chemical Safety and Hazard Investigation Board. What is the Chemical Safety and Hazard Investigation Board? A very good question. It is a board that was created by this Congress in 1990. And it was directed that there be five appointees by the President in creating this board that is similar to the National Transportation Safety Board.

The Chemical Safety Board was established as an independent agency modeled after the Transportation Safety Board and charged with investigating and reporting findings concerning chemical-related accidents.

In 1994 the Senate actually confirmed three of the President's nominees as board members. Three of the five have been confirmed by the Senate. However, since then the administration, and particularly the Office of Management and Budget, have refused to submit the board's budget to the Congress of the United States.

What we are doing is asking in this amendment that the Congress take some of the money that is necessary for the operation of this board and actually give it to the board.

You might ask, why is it the administration has refused to act upon and mandate a directive of the Congress? The administration says that in the investigation of chemical accidents, that the EPA and OSHA can do the same job. But that is not what the Congress thought in 1990. In fact, the Congress directed that in creating the Chemical Safety Board in the same manner as the National Transportation Safety Board, that it would be able to have enhanced ability to investigate the root causes of chemical accidents and chemical incidents.

The purpose is to create a board similar to the National Transportation Safety Board, a board which would have authority to investigate and report on root causes of chemical accidents, a board that would not assign blame for specific accidents, and indeed a board in which the information presented to it could not be used for prosecution or litigation; in other words, a board that all parties could feel comfortable working with.

Does this take away the very important powers of the EPA and OSHA? No, it does not. They still have their regulatory powers. They still have their prosecutorial powers. They still have their investigative powers. But this board would be able to get at the root causes in ways that the EPA and OSHA never could.

The administration claims that there is a memorandum of understanding fully functional between EPA and OSHA that makes it unnecessary to have this board. Not the case. In the roughly two years that OSHA and EPA have operated under the board's function, they have produced no joint reports on accidents, sometimes in violation of their own deadlines. Perhaps they do not work as well together as they should.

At any rate, this board is directed to do exactly what EPA and OSHA are not doing so well together. This board is the only entity that has the solid statutory and legal authority to investigate accidents. The root causes of accidents are what we are trying to get at. Is there a pattern? How can you avert that pattern? That is what this board is about.

The board commands community support. It has industrial support. It has union support. Indeed, much as the National Transportation Safety Board has provided the necessary credibility and the necessary research into the cause of aviation and railroad and other accidents, so the Chemical Safety Board would do the same. It has a chairman, Paul Hill, who has a great deal of respect. He is presently chair and president of the National Institute of Chemical Studies created in my State of West Virginia following the Bhopal tragedy.

What he has done there in some ways, in many ways is what is trying to be done on a national level. It has two other board members. They are called upon to go out and investigate accidents. The only problem is they have no money to get there. They have nothing that they can do once they are there.

So what this amendment would seek to do is to send a clear statement to the administration that what Congress has directed that you create, namely, the Chemical Safety Board, that a board in which there are already three presidential appointees, not only appointees nominated but appointees confirmed by the Senate, indeed a board that has powers unique to itself and very important to the true investigation of chemical-related accidents, that this board be adequately funded.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

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

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding to me. I thank him very much for offering this amendment and for the committee's indulgence in our consideration of this amendment.

I believe that this is a terribly important amendment. Like the gentleman from West Virginia, I represent a constituency that has many petrochemical industries within the boundaries of my congressional district. We have refineries and we have manufacturers of chemicals and users of those chemicals.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. WISE] has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. WISE was allowed to proceed for 3 additional minutes.)

□ 1430

Mr. MILLER of California. Mr. Chairman, I think the gentleman makes an important point that this board holds out the prospect of allowing the communities and the industries to cohabitate, because the industry knows that it can invite this board in to look at the root causes of these serious accidents and explosions and other incidents and not suffer the concern about liability; that this evidence or this discussion or this investigation can be used in litigation. And then they can share that with others in the industry in similarly situated facilities and hopefully reduce and improve their efficiency, reduce the accidents and have some confidence of the community that, in fact, an effort is made to get to the root causes.

In my own community we have suffered a number of accidents in this recent year, but the problem is that the community has lost its faith in the regulatory agencies. They are in a confrontation with the regulator, with the industries. They have lost their faith in the industry. I believe this board can provide a circuit breaker so we can get back to a discussion of the problems that confront these industries.

I just wondered if the gentleman knows, my understanding is this memorandum of understanding has not been completed, and EPA itself has some serious questions about whether or not they have the authority to conduct their part that has been assigned to them by the administration.

Mr. WISE. Reclaiming my time, Mr. Chairman, the memorandum is truly nonfunctional at this point, is my understanding, and the two agencies simply are not working together, either under it or in any other context, as they should be.

And, indeed, as the gentleman points out, they will never be able to perform the purpose of this board because they do bring the prosecutorial side to it and the regulatory side.

Mr. MILLER of California. If the gentleman will continue to yield, the industry has got to be reluctant to allow EPA in because EPA has another function. OSHA has another function. That is, in fact, they have to fine them or deal with the industries in a regulatory sense if they see these flaws. And yet those are the same agencies we are asking to come in and do an impartial discussion, investigation of the root causes.

Mr. WISE. Mr. Chairman, this is like if someone knows they have a problem and they want to clean it up but the only person they can invite in is the policeman and the prosecuting attorney.

Mr. MILLER of California. Exactly. That is the importance. And I would hope that the committee, in further deliberations, would consider funding this board.

I think this board that was arrived at is an answer that was arrived at by industry, by concerned citizens, by professional organizations so that we could, in fact, get to the root causes of some tragic, tragic accidents, that I will go into in a moment here that have happened not only in my district but elsewhere in the country; and, again, I thank the gentleman for offering his amendment.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. WISE] has again expired.

(By unanimous consent, Mr. WISE was allowed to proceed for 1 additional minute.)

Mr. WISE. Mr. Chairman, I simply want to say that, for those who would feel that it is hard to make progress sometimes when there is only an option of more prosecution or more regulation, then this board, I think, meets those concerns because the information derived from its findings cannot be used in prosecution or litigation. For those who believe from an environmental standpoint that we need more investigation of chemical accidents, this board also meets those concerns.

That is why I am grateful for the bipartisan support, such as the gentleman from Pennsylvania [Mr. FOX],

the gentleman from New York [Mr. BOEHLERT], the gentleman from California [Mr. MILLER], and others who have been so active in promoting this.

Mr. FOX of Pennsylvania. Mr. Chairman, I rise in support of this amendment.

I first want to thank the gentleman from West Virginia [Mr. WISE], the gentleman from California [Mr. MILLER] and the gentleman from New York [Mr. BOEHLERT] for their leadership on this issue.

I rise with my colleagues to offer the amendment. In offering the amendment we wish to raise awareness on an environmental and safety issue which is nonregulatory in nature. We are asking the House to act and appropriate funds for the chemical safety and hazard investigation board. It is our belief this board has the potential to save lives through its findings and to enhance the public's trust of Government and industry.

Created under the 1990 Clean Air Act amendments, the Chemical Safety Board was and is a forward-thinking concept, a board that would investigate the root causes of accidents without threatening companies with litigation or enforcement actions which may come as a result of the involvement of a regulatory agency such as EPA or OSHA.

The board will allow more thorough investigations of accidents such as the explosion and fire in a tank farm and oil plant in Freedom, PA, which left three employees dead. The board's findings may prevent further accidents such as the hydrogen peroxide explosion at a chemical plant in Linwood, PA, which left one plant worker dead.

I too share the concerns of many who have followed the board's history concerning the creation of a new Federal agency. However, it is my belief and that of others that the benefits that may accrue to the public, industry, and Government far outweigh this particular concern. A nonregulatory body such as this, modeled after the respected National Transportation Safety Board, will lead to greater cooperation between industry, labor, communities, and governments in the interest of public safety. Only the board will have the statutory authority to do this kind of work in the most effective manner and many in industry are beginning to recognize this.

I would prefer to see this board conduct the necessary investigations rather than another agency. Our amendment would take $3 million already appropriated and direct it to the board.

We are interested in working with the chairman, who has done an outstanding job with the bill and with the committee and my colleagues to ensure that, should the board be funded, it would be closely watched and held to its primary mission of investigating accidents and providing safety recommendations for workers.

In that regard I ask that my colleagues support our call for a nonregulatory body which would enhance public safety.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. FOX] for his support of the amendment offered by the gentleman from West Virginia [Mr. WISE].

Mr. Chairman, in January of this year a hydrocracker reactor exploded at an oil refinery in my district and killed a worker, Michael Glanzman, and injured 44 others in a blast that could be felt 20 miles away.

The year before that, again in my district, two workers were injured when a hydrogen unit blew up. The explosion sent a 24-inch elbow pipe which crashed into a trailer normally filled with workers but, thankfully, was empty during the accident.

In 1993 a toxic cloud of sulfuric acid spread throughout one area of my district, sending thousands of residents to the hospital and spurring a widespread effort to provide a better warning system to the local community in the event of future industrial accidents. These accidents have cost these industries tens of millions of dollars.

The amendment offered by my colleague from West Virginia on behalf of the gentleman from Pennsylvania [Mr. FOX], the gentleman from California [Mr. WAXMAN], the gentleman from New York [Mr. BOEHLERT] and the gentleman from California [Mr. STARK] seeks to devote adequate resources to prevent the kinds of horrific industrial chemical accidents that have killed and injured workers by the score over the years, terrifying and polluting our communities across this Nation.

The Chemical Safety Board, if funded today, would help prevent fatal chemical accidents from occurring in the future. It will not do so by punishing companies for past accidents but by providing information on those accidents so that the industry can learn from their mistakes rather than simply pay for them.

While responsible parties must accept blame in the face of appropriate penalties for violations of the law, the board's job is not to assign blame. That is the job of the regulatory agencies. The reports prepared by the board cannot be used to sue chemical companies or to prosecute them. The board will determine whether the accident is just that or whether systematic errors are at the heart of the tragedy, systematic errors that can be addressed and hopefully be remedied.

The board is modeled after the National Transportation Safety Board, which has helped to make flight one of the safest means of travel in the world. The Chemical Safety Board is an investigatory board that examines the root causes of industrial accidents resulting in serious injuries, fatalities and major property damage.

Mr. Chairman, the Congress was correct when in 1990 it established a Chemical Safety Board. It has erred, however, in failing to fund that board since then.

The current system of root cause investigation is unacceptable. President Clinton, in an effort to reinvent government, divided the board's responsibilities and assigned them to the EPA and to OSHA.

EPA, part of the overall funding increase in this bill, has been given additional funding to carry out this mission. OSHA, on the other hand, has been asked to perform this with additional responsibility with no additional funding, further taxing the limited resources of this important agency.

Mr. Chairman, I support the work of EPA and OSHA, but it is improper and impractical to ask them to carry out the investigation of the root causes of chemical accidents. EPA and OSHA are regulatory, not investigatory agencies. For better or worse, they have often had adversarial relationships with the industries that they are now being asked to investigate. Moreover, Mr. Chairman, EPA and OSHA are facing difficulty working together under this vague memorandum of understanding referred to by the gentleman from West Virginia. In the 2 years since they have taken on the board's mission, they have yet to produce an accident report jointly, sometimes in violation of these deadlines.

More importantly, they have questionable statutory authority, a startling fact noticed by industry. In my own district, EPA officials approaching a plant to investigate a recent accident were stopped at the gate by the plant employees who requested written authority to enter the plant. EPA officials were not able to produce such authority and I understand were denied entry. The authority, Mr. Chairman, resides completely within the Chemical Safety Board.

This does not sound like prevention to me. I understand there is support for the efforts in the Senate, and I would urge the subcommittee chairman and the ranking member to consider supporting amendments today to transfer to the board and give funds to EPA to do the board's work. It is not a large amount of money, but the board is not a large institution. Let us fund the mission, let us send a message to the communities like mine and so many others across the country that Congress supports an effort to make them a safer place to live.

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

Mr. MILLER of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague from California yielding, and I appreciate very much the way the gentleman from California, as well as the gentleman from West Virginia, are dealing with this issue today.

There is little doubt that the House needs to clarify what is not occurring as a result of both the Congress and the administration's past directions. The

problem is a very real problem that faces the entire country and, indeed, the Hazardous Chemical Safety Board should not be in the midst of this, and I look forward to working with the gentlemen who are effectively concerned about the issue and appreciate the manner in which they are handling it today.

Mr. MILLER of California. Mr. Chairman, reclaiming my time, I appreciate the gentleman's consideration in allowing us to discuss this amendment, and I hope we can work with him in the future to make sure the full authority is restored to this board as well as its funding.

Mr. WAXMAN. Mr. Chairman, I ask you to support the Wise amendment to the VA–HUD–independent agencies appropriations bill. The amendment would reallocate to the Chemical Safety and Hazard Investigation Board the $3 million the Environmental Protection Agency has asked for to perform the functions of the Board.

Mr. Chairman, just last month:

One train worker was killed, two were injured, and hundreds of people shut themselves in their homes for hours after a train carrying hazardous chemicals rear-ended a coal train and burst into flames near Charleston, WV;

Five employees were sent to the hospital after a chemical spill at a silicon chip plant in San Jose;

Four workers were sent to the hospital after an unexplained escape of toxic chemical vapors from a tanker truck in Buffalo;

Two high school seniors and a science teacher were sent to the hospital after a bottle of hydrochloric acid toppled over during chemistry class in Orange County, CA;

Two workers were hospitalized for hydrogen cyanide exposure following a spill at a chemical plant near Memphis;

Two people were sent to the hospital after a chemical spill at a chemical waste management business near Dayton;

One employee was sent to the hospital after a chemical spill at a factory in Mesa, AZ;

Three hundred people were evacuated after a tanker truck carrying toluene crashed in Blacksville, WV;

Hundreds of residents were evacuated after a chlorine spill at a chemical plant in Watervliet, NY;

Two hundred people were evacuated and nearly two dozen sent to the hospital after a hydrochloric acid spill from a tanker in Industry, CA;

One hundred people were evacuated in south-central Los Angeles after the discovery of a toxic acid leak from a pressurized gas cylinder left in a residential alley;

Residents were evacuated and train traffic disrupted after a hydrochloric acid spill in Albany, NY; and

Rush hour traffic was snarled for hours after a tanker truck full of corrosive chemicals crashed south of Boston.

Every year thousands of chemical accidents are reported to the Federal Government, resulting in death, injury, evacuation, and disruption of the economy. That is why, in the reauthorization of the Clean Air Act in 1990, Congress established the Chemical Safety and Hazard Investigation Board. The Board was intended to be an independent body investigating the root causes of chemical accidents and recommending approaches of preventing them, operating much like the respected National Transportation Safety Board.

We need the Board today, just as badly as we needed it in 1990. I urge you to support the Wise amendment and full funding of the Chemical Safety and Hazard Investigation Board.

Mr. WISE. Mr. Chairman, in the hopes that just as the House has listened, the Office of Management and Budget has also been listening.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 184, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

The amendment offered by the gentleman from Wisconsin [Mr. OBEY], the amendment offered by the gentleman from Ohio [Mr. STOKES], and the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER].

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

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY:

On page 7, line 6, after ''$16,958,846,000,'' insert ''(increased by $48,000,000)''.

On page 57, line 7, after ''$321,646,000,'' insert ''(decreased by $60,000,000)''.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 322, noes 110, not voting 2, as follows:

[Roll No. 276]

AYES—322

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clay
Clayton
Clement
Coble
Collins
Combest
Condit
Costello
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Granger
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Lazio
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKinney
McNulty
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Moran (VA)
Morella
Nadler
Neal
Ney
Northup
Norwood
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thune
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wise
Woolsey
Wynn
Yates
Young (FL)

NOES—110

Archer
Armey
Bachus
Baker
Ballenger
Barton
Bateman
Bilbray
Bliley
Boehner
Boswell
Brady
Bunning
Burr
Burton
Chenoweth
Clyburn
Coburn

Conyers
Cook
Cooksey
Cox
Crapo
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehrlich
Fawell
Foley
Fowler
Ganske
Gekas
Gilchrest
Goss
Graham
Gutknecht
Hansen
Harman
Hastert
Hastings (FL)
Hilliard
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Kingston
Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Livingston
Lucas
McCollum
McCrery
McIntosh
McKeon
Meek
Miller (FL)
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Nussle
Oberstar
Oxley
Packard
Parker
Paxon
Pickett
Pitts
Pombo
Radanovich
Riggs
Ros-Lehtinen
Ryun
Scarborough
Shadegg
Shaw
Shuster
Smith (OR)
Snowbarger
Souder
Spence
Spratt
Stearns
Stump
Tauzin
Taylor (NC)
Thomas
Thompson
Thornberry
Tiahrt
Wamp
Waters
Watkins
Weldon (FL)
Wexler
White
Wolf

NOT VOTING—2

Schiff
Young (AK)

☐ 1520

Messrs. WATKINS, SOUDER, and SPRATT changed their vote from ''aye'' to ''no.''

Messrs. DAVIS of Virginia, HALL of Texas, RUSH, PEASE, LOBIONDO, BRYANT, GIBBONS, TOWNS, SESSIONS, SMITH of Michigan, BEREUTER, CRAMER, GOODLATTE, DIXON, ENSIGN, GALLEGLY, FRANKS of New Jersey, DAVIS of Illinois, REDMOND, CASTLE, EHLERS, FRELINGHUYSEN, BERRY, QUINN, LAZIO of New York, PETERSON of Pennsylvania, CUNNINGHAM, LAHOOD, EWING, ROGAN, JEFFERSON, HERGER, YOUNG of Florida, HASTINGS of Washington, SOLOMON, SAXTON, CANNON, WATT of North Carolina, LEWIS of Kentucky, KASICH, OWENS, SALMON, METCALF, REGULA, HILL, GOODLING, CUMMINGS, SKEEN, CHABOT, LAMPSON, GREENWOOD, FOX of Pennsylvania, DEAL of Georgia, SENSENBRENNER, ADERHOLT, RILEY, LINDER, BASS, SHIMKUS, ENGLISH of Pennsylvania, WALSH, COLLINS, MICA, NORWOOD, Mrs. KELLY, Mrs. EMERSON, Mrs. CUBIN, Mrs. NORTHUP, Mrs. CLAYTON, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Ms. PRYCE of Ohio, Ms. MOLINARI, and Messrs. WELDON of Pennsylvania, HOEKSTRA, BARR of Georgia, CALLAHAN, HAYWORTH, EVERETT, PORTMAN, Ms. GRANGER, and Messrs. COMBEST, WYNN, SMITH of Texas, MCDADE, CHAMBLISS, CALVERT, KIM, BARRETT of Nebraska, MCINTYRE, BONILLA, BLUNT, WICKER, GILLMOR, BISHOP, THUNE, ROGERS, LARGENT, BONO, PICKERING, HILLEARY, HOBSON, CRANE, COBLE, WATTS of Oklahoma, Ms. MILLENDER-MCDONALD, Ms. BROWN of Florida, and Mr. RANGEL changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. STOKES

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Ohio [Mr. STOKES] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 244, noes 187, not voting 3, as follows:

[Roll No. 277]

AYES—244

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (WI)
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boucher
Boyd
Brown (CA)
Brown (OH)
Bryant
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hefley
Hefner
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Hooley
Horn
Hoyer
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kucinich
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Neumann
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Whitfield
Wise
Woolsey
Wynn
Yates

NOES—187

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Brady
Brown (FL)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Cannon
Chenoweth
Christensen
Coble
Coburn
Cook
Cooksey
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Goodling
Goss
Graham
Granger
Gutknecht
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Herger
Hill
Hilleary
Hobson
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Kim
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Ros-Lehtinen
Ryun
Salmon
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wolf
Young (FL)

NOT VOTING—3

Schiff
Torres
Young (AK)

☐ 1529

Mrs. KELLY changed her vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SENSENBRENNER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. SENSENBRENNER] on which further proceedings were postponed and on which the noes prevailed on voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 200, noes 227, not voting 7, as follows:

[Roll No. 278]

AYES—200

Ballenger
Barr
Barrett (WI)
Bartlett
Bass
Bereuter
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Borski
Brown (OH)
Bryant
Burton
Buyer
Camp
Campbell
Canady
Cannon
Carson
Chabot
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Costello
Cox
Coyne
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeFazio
Delahunt
Dellums
Diaz-Balart
Dingell
Doyle
Duncan
Ehlers
Emerson
English
Ensign
Eshoo
Evans
Ewing
Fattah
Fawell
Frank (MA)
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Gutierrez
Gutknecht
Hamilton
Hastert
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hoekstra
Holden
Hooley
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kind (WI)
Kingston
Kleczka
Klink
Klug
LaFalce
LaHood
Largent
Latham
Lazio
Leach
Levin
Linder
Lipinski
LoBiondo
Lowey
Lucas
Luther
Manzullo
Markey
Mascara
McCarthy (MO)
McInnis
McIntosh
McNulty
Meehan
Menendez
Miller (CA)
Miller (FL)
Minge
Moakley
Molinari
Moran (KS)
Morella
Nadler
Nethercutt
Neumann
Norwood
Nussle
Oberstar
Obey
Olver
Pallone
Pappas
Paul
Paxon
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Poshard
Quinn
Ramstad
Riggs
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanders
Sanford
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Shadegg
Shays
Shimkus
Shuster
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Stabenow
Stark
Stearns
Strickland
Stupak
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thune
Tierney
Traficant
Upton
Vento
Visclosky
Wamp
Watkins
Watts (OK)
Waxman
Weldon (PA)
Whitfield
Woolsey
Yates
Young (FL)

NOES—227

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barrett (NE)
Barton
Bateman
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Bunning
Burr
Callahan
Calvert
Capps
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Conyers
Cooksey
Cramer
Cummings
Davis (FL)
Davis (IL)
DeGette
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehrlich
Engel
Etheridge
Everett
Farr
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gilchrest
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Hall (OH)
Hall (TX)
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hilliard
Hinchey
Hinojosa
Hobson
Horn
Houghton
Hoyer
Hulshof
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
King (NY)
Knollenberg
Kolbe
Kucinich
Lampson
Lantos
LaTourette
Lewis (CA)
Lewis (GA)
Lewis (KY)
Livingston
Lofgren
Maloney (CT)
Maloney (NY)
Manton
Martinez
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McIntyre
McKeon
McKinney
Meek
Metcalf
Mica
Millender-McDonald
Mink
Mollohan
Moran (VA)
Murtha
Myrick
Neal
Ney
Northup
Ortiz
Owens
Oxley
Packard
Parker
Pascrell
Pastor
Payne
Peterson (MN)
Pickett
Price (NC)
Pryce (OH)
Radanovich
Rahall
Redmond
Regula
Reyes
Riley
Rodriguez
Rogan
Rogers
Rothman
Roybal-Allard
Rush
Ryun
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Scott
Sessions
Shaw
Sherman
Sisisky
Skaggs
Skeen
Smith (OR)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Stenholm
Stokes
Stump
Tanner
Tauscher
Taylor (MS)
Thompson
Thornberry
Thurman
Tiahrt
Towns
Turner
Velazquez
Walsh
Waters
Watt (NC)
Weldon (FL)
Weller
Wexler
Weygand
White
Wicker
Wise
Wolf
Wynn

NOT VOTING—7

Gonzalez
Portman
Rangel
Schiff
Spratt
Torres
Young (AK)

☐ 1538

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

Mr. SKELTON and Mr. PALLONE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Chairman, because I was unavoidably detained, I was not in attendance for rollcall vote No. 278.

Had I been in attendance, I would have voted ''aye''.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefore in the budget estimates submitted for the appropriations: *Provided*, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefore set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

Ms. DEGETTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I would like to thank the chairman, the gentleman from California [Mr. LEWIS] and the ranking member of the subcommittee, the gentleman from Ohio [Mr. STOKES] for the work they have done on this bill. As the distinguished chairman from California knows, I was inclined to offer an amendment to title II

of this bill to increase the community development block grant by $25 million for the redevelopment of polluted urban brownfield sites. I understand that the chairman supports brownfields redevelopment, but has some concerns about dealing with this particular initiative which has not been authorized in this bill. I can appreciate that. By agreement, we have decided not to offer the amendment today.

I would like to speak for a few minutes, however, about the need to undertake brownfields development.

□ 1545

I was disappointed to learn that this legislation today does not include the $25 million request from the administration to the Department of Housing and Urban Development for grants for redevelopment of brownfields. As Members know, title I of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary of HUD to make grants to units of local government and States for local community development programs. The primary objective of the block grant program is to develop viable urban communities and to expand economic opportunities, principally for low and moderate income persons.

Mr. Chairman, that gets to the heart of what I, along with my colleague, the gentleman from New Jersey [Mr. PALLONE], today am trying to do here. The money we are talking about in this amendment would go toward the block grant program to develop these viable urban communities and expand economic opportunities.

I can say that spending a lot of time in my own community, I know how vital redevelopment of brownfields can be in urban areas and how exciting it can be when these areas are redeveloped. As it is, brownfields are a blight on our urban and rural landscape. They are oftentimes abandoned industrial or commercial sites which remained undeveloped due to the uncertainty which surrounds them. There is an estimate that there are approximately 450,000 brownfield sites around the country, many of them in urban areas but also some in suburban and rural areas.

I have been encouraged by the administration's brownfields request for the EPA brownfields initiative and that it has been appropriated $85 million. However, this money is to be used only for assessment activities, not for cleanup actions and redevelopment.

I have personal experience with brownfields because I sponsored successful legislation in Colorado in 1993 which has now been used for over 60 brownfield sites in the State of Colorado, not simply assessment but to actually clean up those sites.

If we are truly to clean up our urban communities, if we are truly to develop urban areas, then we need to look at all possible areas in the Government, not just the EPA but also HUD, to really appropriate money.

So that is why I am pleased that the chairman and the ranking member have both agreed to work with us to find as much money as we can to put towards this brownfields redevelopment, and I do want to thank the Chair for recognizing me today.

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

Mr. Chairman, I just wanted to join with my colleague from Colorado in her effort. I understand, as she said, that this amendment on brownfields redevelopment will not be offered, but we did want to make a statement about why we think that the substance of that amendment is significant. Basically what the gentlewoman says is that this $25 million in additional funds would provide incentives to actually redevelop the brownfield sites.

I want to also mention that I am pleased with what the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] did to include $85 million in the bill for the brownfields assessment program. That is, of course, the assessment program. We, however, would like to see some additional money available, as was mentioned by the gentlewoman, for actual incentives to redevelop the sites.

I wanted to mention, Mr. Chairman, that in June there were 85 House Members on a bipartisan basis who sent a letter to the chairman and the ranking member in support of the President's request for a significant increase in the EPA's brownfields assessment program, and I wanted to thank the gentlewoman from Colorado [Ms. DEGETTE], the gentlewoman from New York [Mrs. MALONEY] and the gentleman from Connecticut [Mr. SHAYS] for joining me in initiating that letter of support; also the gentleman from Michigan [Mr. DINGELL], the ranking member, who has been a constant leader on the issue. We have a copy of this letter and a list of Members who signed it. I will include that letter for the RECORD.

Let me point out again, Mr. Chairman, that the reason this is important is because brownfields redevelopment has been and continues to be a priority for many Members regardless of party affiliation. We are very much united in this effort to guarantee that our children have access to open space and economic opportunity by providing incentives for the cleanup and redevelopment of brownfields rather than the development of pristine open space or the so-called greenfields.

The Clinton administration has been very helpful in assisting States and local governments in promoting the redevelopment of these brownfields initiatives. That is why I think it is very important to continue with this. I just want to say I really believe very strongly that this is something that could be addressed in conference.

I am obviously concerned that in the bill the subcommittee was not able to provide the money requested for this economic development grant program. I understand that there is language that was included that basically restricts the use of the money provided under the EPA's program. What I would hope is that when we get to conference, that my colleagues on the committee would reconsider this limitation so that money is either added, or at least the restrictive language is taken away so that some of this money can actually be used for cleanup and restoration.

Otherwise, I do want to thank the members of the subcommittee for their work, and again join with my colleague from Colorado in making this point.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory of adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract

pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 1998 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1998 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding section 320(g) of the Federal Water Pollution Control Act (33 U.S.C. 1330(g)), funds made available pursuant to authorization under such section for fiscal year 1998 and prior fiscal years may be used for implementing comprehensive conservation and management plans.

POINT OF ORDER

Mr. SHUSTER. Mr. Chairman, I rise to a point of order against section 420.

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

Mr. SHUSTER. Mr. Chairman, this section violates clause 2 of rule XXI which prohibits legislation on an appropriations bill. The section would override section 320(g) of the Federal Water Pollution Control Act by authorizing the use of funds for implementation of comprehensive conservation and management plans.

Current law does not authorize the use of funds for implementation of plans but only for the development of plans. Therefore, the section is legislative in nature, in violation of rule XXI, clause 2.

I would also point out, Mr. Chairman, that the Committee on Transportation and Infrastructure will be considering the issue of authorizing and improving the national estuary program during this Congress. We are very much aware of the need to implement plans to protect America's estuaries.

The CHAIRMAN. Are there other Members wishing to be heard on the point of order?

The Chair is prepared to rule. Section 420 of the bill explicitly, albeit indirectly, amends the Water Pollution Control Act. As such it constitutes legislation in violation of clause 2(b) of rule XXI. The point of order is sustained. Section 420 is stricken from the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 421. Such funds as may be necessary to carry out the orderly termination of the Office of Consumer Affairs shall be made available from funds appropriated to the Department of Health and Human Services for fiscal year 1998.

AMENDMENT NO. 4 OFFERED BY MR. BENTSEN

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

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. BENTSEN:

Page 76, and after line 17, insert:

SEC. 422. None of the funds made available in this Act may be used to implement clauses (ii) through (v) of section 761.93(a)(1) of title 40 of the Code of Federal Regulations (relating to the import of PCB's and PCB items at concentrations of 50 ppm or greater for disposal), or to authorize any person to import into the United States (Pursuant to an exemption under Section 2605(e)(3)(B) of title 15 of the United States Code or otherwise) any PCB's or PCB items at concentrations of 50 ppm or greater for purposes of disposal or treatment.

Mr. BENTSEN. Mr. Chairman, given the fact that we passed over a number of amendments, I apologize for seeming anxious.

Mr. Chairman, I rise today to offer an amendment on behalf of myself and the gentlewoman from Michigan [Ms. RIVERS] to prohibit the Environmental Protection Agency from using any funds under this act to allow the importation of polychlorinated biphenyls, PCB's, to be disposed of, including incinerated, in the United States.

Mr. Chairman, the EPA issued a final rule on March 18, 1996 to allow the importation of large quantities of PCB waste, reversing an EPA ban that had been in place since 1980. Later that same month, the Sierra Club Legal Defense Fund initiated a legal challenge to the EPA decision allowing for the importation of PCB's based on the opinion that it violated the Toxic Substances Control Act of 1976.

Additionally, during consideration of H.R. 3666, the fiscal year 1997 VA–HUD appropriations bill, the House adopted a similar amendment I offered which was later dropped in conference with the other body. On July 8 of this year, the 9th Circuit U.S. Court of Appeals ruled, in a unanimous decision, that EPA had violated the Toxic Substances Control Act of 1976. Chief Judge Proctor Hug wrote:

> EPA lacked the statutory authority to promulgate the import rule, which violates the PCB manufacture ban contained in the Toxic Substances Control Act.

EPA, in the execution of the import for disposal rule, waived the yearly requirement to obtain an exemption from the administrator. This rule allowed the continual import of PCB waste in direct contradiction of the Toxic Substances Control Act of 1976. The court ruled that EPA's 1996 rule providing for the continuing importing indefinitely without interruption violates congressional intent with respect to the loan exemption under TSCA which would only allow such imports if the EPA administrator determines an unreasonable risk to injury or health or environment would not result because such exemption may not last longer than 1 year.

Mr. Chairman, EPA has failed to offer any scientific data or analysis to justify reversal of this ban. Their longstanding position has always been that PCB imports pose an unreasonable risk to health and safety.

On December 6, 1994, EPA emphasized that, and I quote:

> the import of PCB's into the United States and the distribution of commerce of PCBs present an unreasonable risk of injury to human health and the environment.

Yet a year and a half later the EPA reversed itself with no new studies, no new research, no new reports that PCB's are anything less than a substance risk to human health and the environment. It is difficult to understand why EPA would change its position without any new scientific evidence.

We know from scientific research that PCB's accumulate in the environment and move toward the top of the food chain, contaminating fish, birds and ultimately humans. When incinerated, PCB's release dioxin, one of most toxic chemicals known to man. As a result, PCB's are the only chemical that Congress has identified for phaseout under TSCA.

Since 1979, PCB's have not been manufactured in the United States. With this ban in place, the amount of PCB's in the United States have steadily decreased but the range of health and environment effects has not. Incinerators in Kansas, Utah, Pennsylvania, and two sites in southeast Texas burn more than 800,000 tons of domestic PCB waste each year.

This rule might be necessary if Canada and Mexico, two countries expected to send us most of their PCB's, did not have facilities located within their boarders to dispose of PCB waste. Both countries do have such facilities designated to handle PCB waste. Mexico even exports some PCB waste to Europe for disposal.

Furthermore, EPA makes contradictory statements with regard to the issue. In a 1991 internal memorandum regarding this issue of PCB's and NAFTA negotiations, Elizabeth F. Bryan, then deputy director for exposure, wrote:

It is likely that Mexico would be discouraged from development adequate disposal facilities for their own PCB waste, if the United States accepts their waste.

This memo further states:

Congress clearly intended to ban PCB's in the United States. That intent should not be diluted through considerations of free trade.

Yesterday the EPA put out an analysis of my amendment in which they state:

EPA closed its borders to PCB waste in 1980 to encourage the development of disposal industries in Canada and give the United States time to phase out much of our use of PCB's.

□ 1600

These goals have been accomplished.

I would also like to add that the Canadian disposal industry opposed EPA's rule and presented compelling evidence that Canada is fully capable of handling their own PCB waste. EPA agreed with that view as late as December 1994 when they said, ''EPA does not want to encourage the expansion of PCB's where there are feasible alternatives already in place.''

In closing, Mr. Chairman, I ask that my colleagues accept this amendment. The last thing we need to do is be accepting dangerous PCB's as a form of business in the United States.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word and to essentially express some slight reservation, because this item is in the courts. The ninth circuit is currently in the process of considering an appeal.

On the other hand, the House did adopt this matter on a voice vote last year. I frankly think the committee would not have any reservation about this going forward and we would be willing, after some more discussion takes place, to accept it if my ranking member would do the same.

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

Mr. Chairman, I just rise to agree with the chairman of the subcommittee that this is a matter that was accepted last year, and if the chairman is inclined to accept the matter at this time, then there is no objection on this side.

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

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

Mr. LEWIS of California. Mr. Chairman, with the agreement of the gentleman from Ohio, we would accept the amendment. I would suggest to Members who are anxious about this, while I welcome their comments, others, if they want to, can revise and extend their remarks.

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

Mr. Chairman, I rise in support of the proposal currently on the floor. I joined with the gentleman from Texas [Mr. BENTSEN] last year to offer this, as well as having offered it in the free-standing bill.

Mr. Chairman, I am concerned about simply accepting it this year. As people may recall, last year we did that but it was stripped from the bill in conference and never made it into law. While there is a recent decision in the courts regarding this matter, it still is in appeal and prudence does recommend legislative action by this body.

Why should we be concerned about this? For several reasons. PCB's are substances that, as a group, are extremely toxic and long-lived, they are proven cancer causers, and they disrupt hormone systems and cause reproductive and endocrine damage in human beings. These are not your garden variety carcinogens.

In fact, PCB's are the only substance ever specifically banned by an act of Congress in this Toxic Substance Control Act of 1976. Yet in 1996, the EPA decided to allow the importation of these chemicals. At that time many of us argued that the decision had more to do with keeping waste disposal facilities in the United States profitable than in keeping the public safe.

Unfortunately, that view turned out to be prophetic. In an AP story published July 8, the EPA is quoted as arguing that the import ban was no longer needed because the U.S. waste disposal industry had enough incinerator capacity to handle foreign PCB waste. The industry, which was running out of domestically produced PCB's to destroy, and I want to repeat that, the industry, which was running out of domestically produced PCB's to destroy, could make up to $100 million a year from incinerating imported PCB's, the EPA said.

The EPA also said at that time that some surveys had estimated more than 173,000 tons of PCB-tainted material existed in Canada and another 60,000 tons in Mexico.

Mr. Chairman, this body cannot tolerate a calculus that values the fiscal health of the toxic waste industry over the physical health of our citizens. For these reasons I would urge my colleagues to vote for this provision, and I would urge the chairman to allow a vote, and I would urge conferees not to strip the provision from the final bill at the end of their conference. This is a serious issue that deserves our attention and our action.

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

[Mr. GREEN asked and was given permission to revise and extend his remarks.)

Mr. GREEN. Mr. Chairman, I want to thank the gentleman from California [Mr. LEWIS] for accepting this amendment.

Mr. Chairman, I rise in support of the Bentsen amendment, and I commend my colleague from Houston for his leadership on this important issue.

On March 15, 1996, the EPA issued a final rule to amend the Federal PCB regulations and allow the import of PCB waste for disposal in permitted facilities in the United States.

This rule allows the importation of foreign PCB waste for disposal in the United States.

The EPA has estimated that the U.S. disposal industry would receive $50 to $100 million annually if PCB's are imported into the United States from Canada and Mexico.

And where would PCB's be disposed? In Kansas, Utah, Pennsylvania, Port Arthur, TX, and Channelview, TX.

Mr. BENTSEN's amendment would prohibit the EPA from using any funds to implement its final rule.

PCB's when incinerated release dioxin—one of the most toxic chemicals known.

Dixon, as we all know, causes a wide range of adverse health effects and it accumulates in the environment.

The incineration of PCB's is recognized as a health hazard.

That's why the Congress designed a phase out of domestic PCB manufacture in the Toxic Substance Control Act of 1976.

Last week, the ninth circuit court overturned EPA's rule to allow the importation of PCB's. The Bentsen amendment will ensure the continual prohibition of imported PCB's even if EPA exercises its option to appeal this ruling to the U.S. Supreme Court.

I urge my colleagues to support this important amendment.

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

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

Mr. JACKSON of Illinois. I yield to the gentleman from Texas.

Mr. BENTSEN. Mr. Chairman, I appreciate the gentleman's yielding.

In closing on this amendment, and I know there are other amendments Members want to get to and to finish this bill, this is not a question of international trade. I am a free trader, but this is not a good or a service that I believe we ought to be importing. This is a dangerous chemical. It is dangerous waste.

We are taking care of our own PCB's in this country. We do not need to take care of PCB waste from other countries

which, ironically, will not take exports of PCB's from the United States.

The fact is that this is not a debate about the domestic incineration of PCB's. That is another matter. We take care of our own, but we should not take care of others.

The fact is that the EPA clearly intends to appeal this rule. They would not be opposed to this amendment otherwise. So I would encourage my colleagues to support this amendment and I would encourage the managers of the bill to defend this amendment with the Senate. I realize it is not the courts, but this is something that clearly is not in line with Congressional intent from the TOSCA Act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BENTSEN].

The amendment was agreed to.

AMENDMENT NO. 22 OFFERED BY MR. SOLOMON

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. SOLOMON:

Page 76, after line 17, insert the following new section:

SEC. 422. None of the funds made available in this act may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education, or subelement thereof, that is currently ineligible for contracts and grants pursuant to section 514 of the Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (as contained in section 101(e) of division A of Public Law 104–208; 110 Stat. 3009–270).

Mr. SOLOMON. Mr. Chairman, the amendment that I am offering with the gentleman from California [Mr. POMBO] should be familiar to most Members, as it has passed this House several times with bipartisan support, and is now permanent law for defense funds and funds covered by the Labor/HHS appropriations bill.

This amendment would simply prevent any funds appropriated in this act from going to institutions of higher learning which prevent military recruiting on their campus, or have an anti-ROTC policy.

The amendment would not affect direct student aid funds such as Federal Direct Loans and Pell grants, nor would it affect institutions with longstanding, religiously based pacifist traditions.

Mr. Chairman, institutions that are receiving Federal taxpayer money should not be able to then turn their back on the young people who defend this country.

This is especially important in today's environment, when, as we know, military recruiters are already having trouble filling their quotas with able applicants due to 13 straight years of defense budget cuts.

It is more important than ever that we not allow campus administrators with ideological agendas to prevent recruiters from explaining the benefits of an honorable career in our Armed Forces to our young people.

It is really a matter of simple fairness, and that is why this amendment has always received such strong bipartisan support.

I would also like to note that, since the gentleman from California [Mr. POMBO] and I started this process a few years back, we have seen a great deal of progress on college campuses. Many schools have publicly announced a shift in their antimilitary policies and many more have quietly followed suit.

The legislation is working, and we can all be proud of that.

However, it is necessary to round out the process by attaching the amendment to just a couple of more appropriations bills, including this one today, and writing it into permanent law.

Then I believe we will have a powerful deterrent in place which will give our fine military recruiters the tools and confidence they need to carry out their constitutional functions to the best of their abilities.

I urge a ''yes'' vote on the amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the Solomon amendment to H.R. 2158 to prohibit the use of funds in the VA–HUD appropriations bill, by any Department or Agency, for grants or contracts to universities and colleges that do not give ROTC and military recruiters access to the general student population.

This amendment levies a grossly unfair and extreme bias against religious institutions that do not allow secular military or ROTC recruiting to occur on their campuses. Individual students and institutions will be penalized simply because they choose to attend a religious institution.

Not only is this fundamentally unfair to the institutions and students but this is also an unfair mixing of church and State.

I strongly urge my colleagues to vote ''no'' on this unfair amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VENTO

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

The Clerk read as follows:

Amendment offered by Mr. VENTO:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 422. The amounts otherwise provided by this Act are revised by increasing the amount made available for ''INDEPENDENT AGENCIES—FEDERAL EMERGENCY MANAGEMENT AGENCY—EMERGENCY FOOD AND SHELTER PROGRAM'', and reducing the amount made available for ''INDEPENDENT AGENCIES—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—HUMAN SPACE FLIGHT'', by $30,100,000 and $43,000,000, respectively.

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

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

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from California reserves a point of order.

Mr. VENTO. Mr. Chairman, this is an amendment that I had printed in the RECORD yesterday, and which was in order in title III. I would suggest that, if there are unanimous consents that are going to occur and that are reasonable, that they should be recognized.

My concern is that this amendment previously has been ruled out of order because I came and we were on page 61, and now we, of course, are at the end of the bill and it should be in order now.

This deals with the Emergency Food and Shelter Program and the public/private partnership. It is a public/private partnership that works. Since the program began in 1983, $1.6 billion has been appropriated to the FEMA Emergency Food and Shelter Program. What I am proposing here is to raise the funding to $130 million from $100 million that is in the bill.

Why this reduction was instituted or persists is not at all clear and certainly was not justified with a program that works. Funds under this extremely well run program reach communities within 45 days from the date of release from FEMA. It is not an emergency management regular program. In fact, this program works and there is no scandals, there are no adverse GAO reports, no adverse Inspector General flack, no bad reports of this program.

It is a program unique because it helps not with disasters from Mother Nature but with personal emergencies of people who have become very often homeless. An increased number of social and economic casualties, of course, are occurring today.

The program combines rapid national distribution with the expertise of local nonprofit charitable organizations in delivering services where they are most needed and builds upon the solid foundation of assistance that historically has been provided by the State and local charities and nonprofits.

The Federal Government has not taken over the program and the challenge, rather the Emergency Food and Shelter, the FEMA program, has become a partnership building upon that which exists and works. The administrative costs of this program are very low, about 3.5 percent locally and nationally.

There is no doubt that such success is owed to the partnership form with the unique national board made up of the American Red Cross, the Catholic Charities, the Council of Jewish Federations, the National Council of Churches of Christ in the United States, the Salvation Army, the United Way, and FEMA. We should be celebrating and rewarding the success of the collaboration, not shortchanging it.

Mr. Chairman, some have suggested compassion fatigue exists in America

because problems are not alleviated. It is important to note that the Emergency Food and Shelter and HUD homeless programs, modest programs in size, have helped hundreds of thousands of families and individuals, but our economics and society throughout the 1980's and 1990's continues to sustain new homelessness.

It is a dynamic population and, as a Congress working with local and State, especially with the private nonprofits, we should stay involved with solid financial commitments, Mr. Chairman. The Federal dollars in the Emergency Food and Shelter Program, the FEMA Program, and the HUD homeless programs leverage private funding.

The nonprofits, who historically dealt with a demographically different population and social problems, today are operating on overload. They cannot respond to the problems and needs in the same way that they did yesterday because of the gravity and the severity of those problems. Specifically, reviewing the fiscal year 1996, the national board, the specific program that I am talking about here, accomplished a great deal with the dollars they have available.

Mr. Chairman, I would point out that we are cutting money in this amendment by reducing the NASA Human Space Flight Program by $43 million in order to provide the $30 million for this program. Because it does spend out quicker, there is a difference. This program serves to alleviate the plight of the homeless right down here on terra firma, that is on the ground of Mother Earth.

As Members should be aware, the NASA budget is in excess of the administration's request, this particular portion, by $100 million. There has not been a NASA, an OMB or administration request or justification for this funding. We do not have to be rocket scientists to understand the demand and the positive needs that we need in terms of the increase to provide emergency food and shelter.

As I said, the program is working. Unfortunately, many in our society continue to experience homelessness and I would urge Members to support this sound amendment.

Mr. Chairman, I have an amendment at the desk, amendment No. 26 which has been ruled out of order because it starts at page 57 and amends page 61 and we were upon page 61. I'm very disappointed that the consideration was not provided even though we were in the same title III and had moved so quickly to this point in the bill, therefore I'm offering it at the end of the bill as a new section 422.

The Emergency Food and Shelter [EFS] Program is a public/private partnership that works. Since the program began in 1983, $1.6 billion has been appropriated to the FEMA EFS Program. In 1995, prior to the devastating rescissions bill, the funding for this program annually was $130 million. Since the rescissions bill, the funding has been level at a less than adequate $100 million. Why this reduction was instituted or persists isn't at all clear and certainly not justified.

Funds under this extremely well run program reach communities within 45 days from date of release of funds by FEMA. This is a program that works with no scandals—no adverse GAO reports, no IG flack. The program is unique because it helps not with the disasters of mother nature, but the personal emergencies of people who have become homeless—an increasing number of social and economic casualties today. The program combines rapid national distribution with the expertise of local nonprofit charitable organizations in delivering services where they are needed most and builds upon the solid foundation of assistance that historically has been provided by the State/local charities and nonprofits. The Federal Government hasn't taken over the problem and the challenge, rather EFS/FEMA has become a partner, building upon that which exists and works.

The administrative costs are a mere 3.5 percent, locally and nationally. There is no doubt that such success is owed to the partnership formed with the unique National Board, made up of major charity organizations: the American Red Cross, Catholic Charities, Council of Jewish Federations, National Council of Churches of Christ in the USA, the Salvation Army, the United Way, and the Federal Emergency Management Agency. We should be celebrating and rewarding the success of this collaboration not short-changing it. Mr. Chairman, some have suggested compassion fatigue exists in America, because problems aren't alleviated—it is important to note that the EFS/HUD homeless programs, modest in size, have helped thousands of families and individuals. But our economy and society throughout the 1980's and 1990's continues to sustain new homelessness. It is a dynamic population and as a Congress working with State, local, and especially the private nonprofits, we should stay involved with solid financial commitments.

The Federal dollars in EFS/FEMA and HUD homelessness programs leverage private funding. The nonprofits who historically dealt with a demographically different population and social problems, today are operating on overload. They need and merit our good faith effort.

Specifically reviewing EFS/FEMA in fiscal year 1996, the National Board accomplished the following with an appropriation of $100 million: provided over 82.6 million meals at an average meal cost of 47 cents; provided more than 3.8 million nights of shelter at an average cost of $5.93 per night; paid over 177,000 utility bills allowing families to remain in their homes; directly funded more 10,300 charitable organizations and governmental agencies in over 2,400 jurisdictions in all 50 States, the District of Columbia, Puerto Rico, and the U.S. territories.

My amendment would restore the funding level to $130 million. This could help serve tens of millions more meals, a million or so more nights of shelter, and help with hundreds of thousands more utility bills across this country. My amendment would accomplish these worthy goals by reducing NASA's Human Space Flight Program by $43 million—providing $30 million to this specific FEMA program that serve to alleviate the plight of homeless on terra firma, on the ground of mother Earth.

As Members should be aware, the NASA budget is in excess of the administration request by $100 million. There has been no NASA, OMB, or administration request or justification for this funding and you don't have to be a rocket scientist to understand the demand and positive use that this increase would do for the Emergency Food and Shelter Program of FEMA.

I urge Members to support this amendment that will be so beneficial for all Americans.

POINT OF ORDER

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

Mr. LEWIS of California. Mr. Chairman, I do, and let me say that I agree with much that has been said about this program. We have provided $100 million in the budget request because of that.

I raised a point of order against the amendment because, first, the amendment takes away from an unauthorized program and gives money to an unauthorized program. Well, Mr. Chairman, let me give just a bit of detail:

□ 1615

The amendment proposes to increase an appropriation not authorized by law, and therefore is in violation of clause 2(a) of rule XXI. Although the original account, funding for the Emergency Food and Shelter Program, where the funding would go, is unauthorized, it was permitted to remain pursuant to the provisions of the rule that provided for the consideration of this bill. When an unauthorized appropriation is permitted to remain in a general appropriations bill, an amendment merely changing that amount is in order, but the rules of the House apply as a merely perfecting standard to the items permitted to remain and do not allow the insertion of a new paragraph, not part of the original text permitted to remain, to change indirectly a figure permitted to remain.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. VENTO] wish to be heard on the point of order?

Mr. VENTO. Mr. Chairman, the fact is both provisions are in the bill. They are protected by the rule. As the gentleman has pointed out, both of these are. I have not received authorization, but the rule does address that particular factor, and it seems to me that it would follow that the modification of funds between them at this particular point, a technical point at best, that the spirit of the rule would suggest that it is in order.

I might further add, Mr. Chairman, that in terms of the procedures of the House, the rolling of votes and the activities that have taken place today, the avoidance and leaving behind of amendments I think is highly inappropriate and improper. I was here and offered this amendment in the proper title, but simply being a few pages beyond. I was not afforded the comity and the consideration of being able to offer this amendment today. I think it is highly unusual and inappropriate.

I ask the Chair to rule on the amendment.

The CHAIRMAN. The Chair is ready to rule if no other Members wish to be heard on the point of order.

The gentleman from California [Mr. LEWIS] makes a point of order that the amendment offered by the gentleman from Minnesota [Mr. VENTO] violates clause 2(a) of rule XXI by providing an unauthorized appropriation.

The amendment proposes to insert a new paragraph on page 76 that would indirectly increase an amount provided on page 57, which has been passed in the reading.

The increase proposed by the amendment is not authorized by law. The Chair notes that the amount already carried in the bill for that object is, likewise, unauthorized. However, that unauthorized amount in the bill was permitted to remain by House Resolution 184.

Where an unauthorized appropriation is permitted to remain in a general appropriation bill, an amendment directly changing that amount in that paragraph, and not adding legislative language or earmarking separate funds for another unauthorized purpose, is in order as merely perfecting. But an amendment adding a further unauthorized amount is not in order.

As indicated in the ruling on July 12, 1995, shown on page 142 of House Practices, even though it may be permissible by amendment to directly change an unauthorized item in a paragraph permitted to remain by a waiver of points of order, it is not in order to indirectly increase that amount by insertion of a new paragraph not textually protected by the waiver. The precedents that admit a germane perfecting amendment to an unauthorized item permitted to remain, for example, Deschler's volume 8, chapter 26, section 3.38, deal with actual changes in a figure permitted to remain. They apply a merely perfecting standard in the strictest sense of that phrase. None involve the insertion of a new paragraph, not part of the text permitted to remain, to increase indirectly a figure permitted to remain.

The amendment offered by the gentleman from Minnesota [Mr. VENTO] cannot be construed as merely perfecting under the precedents. Accordingly, the Chair sustains the point of order.

AMENDMENT OFFERED BY MR. FOLEY

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

The Clerk read as follows:

Amendment offered by Mr. FOLEY:

After the last section of the bill (preceding the short title), insert the following new section:

SEC. 422. The aggregate amount otherwise provided in this Act for ''INDEPENDENT AGENCIES—DEPARTMENT OF THE TREASURY—COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS—COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT'' is hereby reduced by $75,000,000.

Ms. WATERS (during the reading). Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentlewoman reserves a point of order.

The CHAIRMAN. Without objection, the amendment is considered as read, and the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes in support of his amendment.

There was no objection.

Mr. FOLEY. Mr. Chairman, one only need to pick up the morning newspapers to support the amendment to freeze funding for the Community Development Financial Institutions funded at current levels, not a cut, maintaining funding at 1997 levels.

Today's Wall Street Journal: ''Treasury Aides Trumped Up Papers To Defend Awards As Probe Drew Near.''

''A Treasury investigation as to whether agency officials created misleading documents to deal with a congressional probe found that they did, and just in the nick of time, too.''

The assistance went to community development lenders with ties to South Shore Bank, also known as Shorebank, a Chicago-based institution with long ties to the Clintons. A recipient of $2 million in assistance was Southern Development, Inc., an Arkansas firm that Hillary Rodham Clinton set up with help from Shorebank founders.''

In the Arkansas Democrat Gazette: ''Among the banks Bachus named as being part of a suspected 'old boys' network' of community lending institutions with ties to President Clinton and his wife is Arkadelphia-based Southern Development Bancorporation, Inc. It received a $2 million award from the Community Development Financial Institutions Fund last year. Mrs. Clinton, then a partner in Little Rock's Rose Law Firm, and presidential counselor Thomas F. 'Mack' McLarty, a former executive of Arkla, Inc., were charter members of the holding company that founded Southern Development in August 1986.''

In the Rocky Mountain News: The chairman suggests, Mr. Bachus, that nearly a third of the money designated in the Community Development Financial Institutions fund went to interlocked institutions that all have well-documented links to Hillary Clinton.

''Government Investigates CDFI Program,'' in the National Mortgage News Journal, details the same story. Reuters this morning: ''Treasury Admits Misdoings At U.S. Small Business Fund.''

May doubt the articles? Read this: ''A top administrator at a small business program touted by President Clinton wrote spurious memos to justify loans that had already been made, Treasury Department officials confirmed Tuesday.''

Now my colleagues, what we are asking you to do is freeze funding until we can investigate the facts of this case. The Treasury Department may be making improvements now as a result of the oversight inquiry, but the department has not shown it knows how to run a grant program.

In this era of government belt tightening, where even programs that are models of efficient administration face significant cuts in funding, it makes absolutely no sense, no sense, to increase by more than twofold the amount the taxpayers will allocate to this program.

Only in Washington would we be sitting here debating a 150 percent increase in funding for a program that is judged, by any objective standard, a monument to bureaucratic bungling and administrative inefficiency. In the real world, heads would be rolling, customers would be demanding refunds, and the budget ax would be swinging. In Washington we appropriate more taxpayers' money for this program.

This perverse incentive structure needs to be dismantled, and a message needs to go out to our Federal bureaucracy that we will no longer reward mismanagement abuse with ever-increasing levels of funding.

By the CDFI's own admission, at least $11 million in taxpayer funds were awarded in its last round of funding without anybody bothering to memorialize in a written document any of the factors upon which the agency based its recommendation. Not a word. Then when the gentleman from Alabama [Mr. BACHUS], the chairman, approaches the committee and asks for reports, at midnight they work on the documents. My colleagues will hear more about that later.

Any claims that the Treasury Department may make regarding real world success for the CDFI program are purely speculative at this time. The fund originated July 1996. As of March of this year they had only distributed $4 million the $37 million that was awarded in the first round. Now at this point I understand we have up to one half that has been sent out.

The Treasury wants Congress to raise funding 150 percent on this untested program with serious administrative problems. The Foley-Bachus amendment will not zero out CDFI funds, I want to reemphasize. It simply maintains fiscal 1997 funding levels pending further review of the program.

Now it bears emphasizing that this amendment, again, does not zero it out. But I would call the attention of my colleagues, the Senate is never known for cutting many programs. The Senate VA–HUD approps zeroed out the CDFI fund yesterday. The Senate zeroed it out. Now we are asking for a freeze.

Now clearly, some people may doubt these articles in our major newspapers. But as the chairman will tell my colleagues in the next few minutes, this investigation has unearthed some rather disturbing things. There is no distancing from these companies the relationship that had existed in the late 1980's. So clearly, if we are going to ask the American taxpayers to foot the bill for this program or any other, we should make certain that there are certain standards.

POINT OF ORDER

The CHAIRMAN. Does the gentlewoman insist on her point of order?

Ms. WATERS. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentlewoman will state the point of order.

Ms. WATERS. Mr. Chairman, if the gentleman from Minnesota [Mr. VENTO], and perhaps even others had been here, their amendments would have been protected against a point of order. However, they were not here at the time, and therefore they have not been allowed to take up their amendments.

I think that that amendment falls in the same category. However, I am aware that there may have been some attempts to recraft the amendment to comply with being able to take it up in the general provisions. If so, if that is the case, how then was it recrafted to comply? And if it has not been, the point of order I think should prevail.

The CHAIRMAN. If there is no other argument on the point of order, the Chair is prepared to rule.

The amendment simply reduces an amount otherwise provided by the bill. That the amendment does so indirectly does not matter. An amendment inserting new language simply and only to reduce the amount of an appropriation provided earlier in the bill is permissible, as not adding a further unauthorized amount.

The point of order is overruled.

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

I rise today in opposition to the Bachus amendment to the fiscal year 1998 VA-HUD appropriations bill and in support of the provision in this bill to provide $125 million for the Community Development Financial Institutions program.

The Community Development Financial Institutions program provides an important source of funding to low-income and low-wealth communities across the Nation. The CDFI program is the very type of program that this Congress, with its attitude about Federal spending, should support.

Rather than providing conventional government assistance to poor communities, the CDFI fund focuses on efforts to use government resources to leverage private sector funds, with the goal of achieving community self-sufficiency. The CDFI fund invests in a diverse array of institutions, including banks, credit unions, nonprofit loan funds, venture funds, and others, with varying asset size. The fund is designed to promote community development in the broad range of communities which make up our Nation.

The gentleman from Florida [Mr. FOLEY] spent a good deal of his time making some allegations about the politicization of this election process for grantees. These allegations have been carefully investigated and refuted by the Treasury Department. And in that light, I commend the gentleman from California [Mr. LEWIS], the chairman, and the gentleman from Ohio [Mr. STOKES], the distinguished ranking member, and the gentleman from California [Mr. LEWIS] is indeed distinguished as well, and the subcommittee members for their report language endorsing the goals of the CDFI program and their belief that any process abuses can be corrected without destroying the program, which this amendment would do.

I also commend the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] for their emphasis on the activities that support microenterprise development to build the skills, assets, and earnings of low-income Americans.

Mr. Chairman, as this Congress systematically dismantles our traditional programs for poor people and poor communities, we must support programs designed to ensure that these communities have access to the financing they need to help themselves. The CDFI fund is one such program.

I urge my colleagues to oppose the Bachus amendment and support the committee, support the funding level of the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] of $125 million for this important and successful program which is helping American communities help themselves.

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

□ 1630

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

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

Mr. COOKSEY. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I think it is important for all of us in this body to define what this amendment does and why it is necessary and what it does not do. This amendment leaves funding at the present level of $50 million a year. We heard the gentleman from Florida that said the Senate, because of these same facts and what has happened in this program, zeroed out funding. But the amendment that the gentleman from Florida and I have offered leaves the funding level from last year.

Why are we offering this amendment? Why are we opposed to the administration's request that funding for this program increase by 150 percent to $125 million? We are doing that for several reasons. One is that of the original $50 million that was appropriated by this Congress, $37 million of it was directed to this fund, and of that $37 million, as of March of this year, only $4 million had been spent. As of this time, the whole $37 million that was appropriated in 1996 has not been granted. We have got $37 million in an appropriation and since 1996 they have not appropriated all the money. Should this Congress come along and at this time say we are going to put another $125 million in? I think not.

What has happened to the money that the people of the United States, the taxpayers, put in, this $37 million? Let us look at what has happened to it. First of all, not all of it had been spent and we are asking those same people for another $125 million. But of that that was granted, $11 million of it was granted without any written memorandum, no written review.

In fact, to review, to do our necessary oversight, on April 14 of this year, I told the director of this fund that I would be reviewing the grant process and that my investigators would be there on the morning of April 18. Subsequent to my letter to her, she was at a conference in Paris, France, she called the deputy director and told him to create a memorandum, to create paperwork outlining the grant process. In fact, he did this on $11 million dollars worth of grants. To get there, to put this paperwork, documentation of how these grants were made, to be able to do that, they had to stay up all night the night of April 17, and during the middle of the night and until the next morning, and they only typed those papers up and put them in the files 2 hours before congressional investigators visited to determine if they had gone and complied with the grant process.

The inspector general has reviewed this whole process. What has she found? She has said that this was wrong. She has said that this was done against the advice of legal counsel at the fund. She has said that legal counsel advised that these documents be dated. In fact, they were not only not dated but they were put in those four files and they were made to appear as if they were written sometime, I think, between May and July 1996.

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

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Alabama which freezes the funding levels for the Community Development Financial Institution Fund at last year's level of $50 million despite the bipartisan budget agreement's increase in this valuable economic empowerment program to $125 million.

The administration and congressional leadership in fact agreed to this increase precisely because CDFI is a win-win for all parties involved. These investment funds are matched in the private sector and then used to create jobs, promote small businesses and build affordable housing in communities across the Nation.

While I thank the gentleman for his diligence in shedding light on poor management decisions in the first year at the fund and appreciate his help in ensuring that this worthy program will in the future be run efficiently according to new reforms, I must nonetheless take issue with his conclusion that the program should not in any way be hindered from meeting its critical goals of revitalizing distressed communities. The only arguments that I have heard

from the other side thus far are that the beneficiaries of these programs, those distressed communities, should be penalized until the Federal Government resolves its bureaucratic problem of paperwork.

I am making an argument that today we should not cease the fundings or freeze the fundings for these communities that so desperately need the resources while our investigations, which I might add I raise questions about those investigations, because I just got off the phone a few minutes ago with South Shorebank and the bank corporation and they have indicated in the course of this investigation they have never so much as been contacted by the investigators in the majority party on this particular issue.

Mr. Chairman, as a member of the Committee on Banking and Financial Services, serving the people of the south side of Chicago and the south suburbs, I have had the special honor and privilege of becoming intimately familiar with the exemplary organization and national leadership in community development lending that Shorebank and its holding company, Shorebank Corp., has exemplified as 1 of the 31 recipients of this year's CFDI fund awards. Thus, based upon my personal knowledge, I feel compelled to take issue with the gentleman's allegations that the recipients were not awarded CDFI funds meritoriously, but rather were the beneficiaries of some sort of political favoritism based upon connections with the Clinton administration.

Shorebank and the Shorebank Corp. have been involved in community development long before the Clinton administration became an administration in Washington. They are a model, an exemplary model that the President has talked about in many speeches across this country.

Mr. Chairman, CDFI's statutory language defines an affiliate as it is defined in section 2(k) of the Bank Company Holding Act as—

> Any company that controls, is controlled by or is under common control with another company. Shorebank has never owned, controlled or voted any voting securities of the 3 CDFIs in question, nor has it ever controlled the election of a majority of directors or trustees of any other CDFIs. Nor has the Federal Reserve ever determined that Shorebank exercises a controlling influence over any other CDFI.

There are business relationships between Shorebank and other CDFIs through its consulting subsidiary, but at no point in time have they ever exercised undue influence.

Mr. Chairman, there were no violations of statutory limits. The enacting statute prohibits the fund from providing over $5 million to one of these CDFIs and Shorebank Corp. has only received $4.5 million. The claims of political favoritism are also unfounded. In fact, to assert such claims is actually insulting to those communities which have been blessed by the innovative and immensely successful revitalization efforts spearheaded by Shorebank and other community development lenders.

Mr. Chairman, I would like to ask the chairman of the Subcommittee on General Oversight and Investigations of the Committee on Banking and Financial Services to join me in a colloquy.

Mr. Chairman, is it the gentleman's understanding from the report based upon the investigations that he has received that they have never, or have they ever contacted Shorebank or its officers with respect to the particular allegations that are being made?

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

Mr. JACKSON of Illinois. I yield to the gentleman from Alabama.

Mr. BACHUS. I would say to the gentleman that it is not our obligation to contact Shorebank or even to decide whether they are worthy of a grant or not. This law sets up a review process and requires certain documentation to be made. Shorebank may, in fact, be a totally worthy organization. I have no reason to believe they are not a good organization that does good work. That simply does not entitle this fund to simply make a check out for $4.5 million and hand it to them without a review, without any documentation. Certainly the gentleman from Illinois would agree that the end does not justify the means. As worthy a goal as there may have been, it does not allow one to manufacture documents.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. JACKSON] has expired.

(By unanimous consent, Mr. JACKSON of Illinois was allowed to proceed for 30 additional seconds.)

Mr. JACKSON of Illinois. Mr. Chairman, is it the gentleman's argument that the distressed communities who would be the beneficiaries of the additional appropriation, the $125 million, should be penalized because of bad paperwork by the administration?

Mr. BACHUS. It is not, and I would say this, not for bad paperwork, but for a process that was unethical, that was misleading, that misrepresented that there was in fact to these four applicants, they were awarded money. They did not go through the process that the other 257 applicants went through, even if they are worthy. Even if we say these guys are great, we just cannot ignore the law. We cannot ignore the rules.

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

Mr. Chairman, as a former prosecutor and as a member of both the Committee on the Judiciary and the Committee on Government Reform and Oversight, it never ceases to amaze me the new defenses that are raised whenever somebody with regard for the integrity of our laws and the integrity of the appropriations process raises a question about something that this administration is doing.

We have three new ones just here today. Defense attorneys, take note. It is a defense to any hint of an investigation that certain people have never been contacted, an airtight defense for abuse of public moneys.

Or they are doing a wonderful job with the money that is appropriated. It does not matter that it may be appropriated by people who are violating the law, but they are doing such wonderful things with the money. An airtight defense.

And yet another one. That to investigate or to hold up increased funding in the light of very serious allegations, violations of Federal law, would insult the eventual recipients of the money. Another airtight defense.

The fact of the matter is, Mr. Chairman, that the amendment and the discussion of it by its proponents today has nothing to do with condemning the wonderful job that the banks may or may not be doing through the CDFI funding. It is no indictment whatsoever on the wonderful things that the recipients of the money may be doing, and it really escapes me for people on the other side to become so indignant because this amendment and its proponents and their very sound arguments are saying, now, wait a minute, we here in this Congress are stewards of the public trust, we are stewards of the public moneys. And when very serious allegations are raised that individuals administering tens and hundreds of millions of dollars of programs are violating Federal laws in the way they administer those programs, that all of a sudden, we are made out to be the insensitive bad guys is really something that I am getting kind of sick of, Mr. Chairman.

Let me give three possible violations of Federal law just by a very quick reading of title 18 of the United States Code annotated that may be at play here, and see if this may cause folks on the other side that are so indignant that we would raise this problem to perhaps rethink their indignation.

18 U.S.C. 371, 18 U.S.C. 1001, 18 U.S.C. 1505, 18 U.S.C. 1517. Mr. Chairman, what the gentleman from Alabama and the gentleman from Florida are saying is, ''At least let's hold the status quo until this can be looked into,'' these very serious allegations of obstruction of justice.

□ 1645

We are not saying, ''Let's completely emasculate the program.'' We are not saying, ''Let's cut it back.'' We are simply stating that in light of these very serious allegations that are substantiated to a large extent, I believe, in an investigation conducted by the Inspector General of this agency, let us at least hold off increasing the amount of money that we are letting these folks who seem, very clearly, to have violated Federal laws in manufacturing documents designed to mislead, misdirect, and obstruct an investigation can be looked into. And I think it

would be an abrogation of our responsibility that supersedes anything about how nice a program is or what wonderful things it may be doing if we were to turn a blind eye to these very serious allegations.

Mr. Chairman, I think that the gentleman from Alabama, who is the chairman of this Subcommittee on General Oversight and Investigations, I think the gentleman from Florida, who is a coauthor of this amendment, have raised very serious concerns here that should not be dismissed simply because folks on the other side who like these programs, like the programs and feel that an indictment or an attack on people who appear to be violating the law is somehow an attack on the program or what might be very worthy recipients of the funds.

Mr. Chairman, let us just simply stand back for a moment, forget about being defensive about an investigation that may have done something wrong, maybe they did not. But let us stop being so defensive and recognize that we have an overriding, overarching responsibility here to ensure that our laws are faithfully executed and that those people who are entrusted with the authority to administer hundreds of millions of dollars for very worthy purposes, deemed so by law and by the President of this country, that they do so in a manner befitting the laws and the integrity of our system.

Mr. Chairman, I urge adoption of this amendment.

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

Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, I oppose this amendment, and I want to make it clear at the onset that I think the oversight work that our subcommittee chairman on the Committee on Banking and Financial Services is doing is important work. I respect him for it, and I furthermore believe that the Treasury and the officials that, in fact, wrote out memos prior to his review of the files are in error, that they are wrong in terms of what they did. But those memos were undated, I might add, and there is no indication at this particular time that there is anything that was done illegal. I certainly think it was not proper.

But the focus of my attention today is not so much on what these officials did that regulate the program. I think we should get a thorough accounting of it, and perhaps somebody, as my colleagues know, ought to get a few demerits, if not some other factors that would enter into that in terms of this program; because I care about this program and I want it to work.

This Congress acted on this program in 1994 and authorized $400 million, but the only money that has been appropriated is that $50 million so far, and incidentally they have, this past year 1996, finally have provided some grants awarded. I think they are doing much better than some of the reports of my colleagues and friends here with regard to expediting the program. It is an enormously important program.

But as my colleagues know, I get the impression here that we are jumping from oversight to prosecution, to persecution of a particular program, and the end result of this is not going to fall on the bureaucrats or those that are administering the program at Treasury, but on the individual communities that are relying and looking at this program as being something to revitalize and to help their communities.

So I am very concerned about the rhetoric that I heard here today with regard to the allegations, and so forth, that are going on. I think we have a presumption to do our job, but also to assume that this program administration is corrected. Maybe one of the biggest problems with this program is the fact that it was part of President Clinton's initiative in his first Presidential campaign because it certainly seems that almost anything associated with the administration, whether it has been AmeriCorps or whether it has been this CDFI program, seems to be issues that have rankled a lot of sensitivity, especially this particular bill as they do with brownfields and some of the other initiatives.

Mr. Chairman, I regret that because I think these programs should be really bipartisan in nature. I think that most often they have been. I do not remember the same circumstance occurring in past years when I agreed with President Bush or agreed with President Reagan, although it may not have been as often as they would have wished.

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

Mr. VENTO. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, again I want to state I think these programs can do some good in the community. I have stood up for minority business development grants and other things in my community and fought for them.

What we are saying in this amendment: Currently there still exists $33 million in current accounts to spend. With this amendment we will continue and add another $50 million to the account to do their good work. All we are asking before we up the account to $125 million, is we get some answers.

Mr. VENTO. Mr. Chairman, reclaiming my time, I understand the gentleman's position. I appreciate the fact he did not eliminate the program. But I must say that this program has been in the starting gate and hardly has gotten started because it has been fighting sort of a rear guard action since its passage, and it has not all been on one side of the aisle, many have frustrated indirectly.

So the concern I have is that these programs are enormously important, they are in place, they should be funded. It is authorized at $400 million. This is a completely reasonable agreement to fund at $125 million unless we find out something substantive that is flawed in terms of the systemic nature of the program.

Some actors along the way have done something, but I do not think anyone has argued that the dollars that are going into the program are fundamentally being misused or abused, that nothing has been lost with CDIF.

As my colleagues know, there are some claims of favoritism, there are some claims of producing materials or records. I think there is an explanation, which I find inappropriate, that I do not necessarily accept, and I will, as my colleagues know, and do support the gentleman from Alabama [Mr. BACHUS], the subcommittee chairman's active oversight role.

But I think that we need to look beyond that, and the embellishment of this does not justify sentencing the program to another year in purgatory as it would be. Why punish the low income, low wealth communities that need the help? In fact, the grant programs have awarded, maybe not spent out the money, but have awarded $35 million and $13.1 million in 1996, respectively, which means that the dollars are actually committed even though they may not have been expended this year.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. VENTO] has expired.

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

Mr. VENTO. The demand for the program is very great if we looked at the 2 elements of it, the Bank Enterprise Program. The demand there has been very significant. On the CDFI, community development organizations have $300 million and requests were submitted. Thirty-five million was, in fact, committed after, in fact, the request, and of course on the other side some 31 community development organizations received that $35 million, and 38 banks under the Bank Enterprise Program received an allocation of $13.1.

The demand for the program is clear. We think it is a program that has worked, and will succeed in the future, but too many of our colleagues will not give it a chance to demonstrate that. Grantees were limited in numbers. The very best applicants won grant, Treasury did request, of course, an Inspector General investigation that did not criticize the grant awarded. The IG report did counter allegations that a CDFI official selected and awarded grants that he formally worked with had a conflict of interest. In fact, there is a small group, or nucleus of people with the CDFI expertise. It should be expected that some overlap in terms of individuals that are specifically familiar with this limited number of special financial institutions, and that is one of the principle issues that we have to sort through in terms of understanding that there is no documentation that I am aware of, that the CDFI staff exercised undue influence or favoritism of a particular applicant to the detriment

of other applicants, no doubt by selecting certain more established grantees, some of whom were the models for the 1994 law. Other applicants were not selected.

But it is a case where there is a lot of applicants, there is competition. Whenever we see these circumstances, there can be and likely will be allegations that someone did not receive the grant they sought. I mean it happens to each of us. We have within our States or districts people that are competing for grants. It is unfortunately part of the competitive process that we have this criticism.

But I think we should be more restrained in jumping on this and claiming violations of the law. Of course anyone can make allegations, but proving them is another matter. But I stand with my friend to help and work with him, but let us not cut the program out, let us not sentence this program to another year in purgatory.

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

Mr. Chairman, once again let me repeat what this amendment does is it freezes spending at last year's level. It does not provide a 150-percent increase for a program with a lot of questions being raised about it at this time.

As a businessman from Florida, I understand the need for affordable low interest loans in economically depressed areas. These kinds of incentives are crucial for stimulating business and job growth. That is why I do agree with the general goals of the Community Development Financial Investment Fund, even though as a fiscal conservative I wonder whether or not this program represents a true Federal responsibility. The original catalyst for this program, after all, was a local initiative.

More concerning than the issue of federal law, however, are questions which have recently arisen on the program's effectiveness and impartiality. At this time the House Committee on Banking and Financial Services' Subcommittee on General Oversight and Investigations is investigating a series of allegations against the Fund. With these kinds of issues surfacing, I think it is important to not let noble goals supersede good sense when we are talking about the taxpayers' money.

There are several potential problems with the CDFI Program, all of which warrant a serious, thoughtful review by the banking subcommittee before we allocate a huge increase.

First of all, there are serious questions about the management of the program. A recent review by the accounting firm of Ernst & Young found irregularities within the award process, a failure to adopt uniform review procedures and a severe lack of documentation.

Second, since the CDFI distributes money through an awards process, it is imperative that funds utilize a fair, unbiased procedure for these allocations. A recent review of the fund, however, showed that they failed to adopt objective scoring systems in selecting recipients. This revelation suggests the possibility of favoritism and cronyism within the agency in divvying up this money.

And finally, there is a question of criminal activity at the fund. During an initial investigation by the subcommittee, they were unable to find any material demonstrating that the fund conducted a meaningful review of potential grantees. However, a second subcommittee review unearthed undated memos which may have been written after the first review had been concluded.

As a steward for the Federal Government's taxpayers' money, there are times when one just says, hey, wait a minute, maybe this program does not need or deserve a large increase this year. Why should the American taxpayer be forced to fund a 150-percent increase for a program that is under serious investigation by this legislative body?

With this amendment we are in no way saying the Community Development Financial Institutions as a whole are not a good idea or do not provide a service to the community. What we are saying is that noble goals are not always followed by effective implementation. Let us not increase a questionable program by 150-percent. Let us slow down the funding and wait until the authorizers have a chance to ensure that the program is meeting its obligations and taxpayers' expectations.

Mr. Chairman, I urge my colleagues to support this amendment.

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

Mr. Chairman, I must rise today in opposition to the amendment offered by my distinguished colleague, the gentleman from Alabama [Mr. BACHUS], the chairman of the Committee on Banking and Financial Services' Subcommittee on Government Oversight and Investigations, on which I am the ranking member.

While I support the efforts of the gentleman to ensure that the Community Development Institution Fund is efficiently and effectively administered, I vigorously oppose the proposed freeze of the Community Development Financial Institution Fund at the fiscal year 1997 levels.

I am a little bit surprised at the tone and spirit of this attack. Let us be clear. This is an attack on small business. The small businesses of this country that benefit from this fund are the ones that we all talk about we want to help. These are small institutions such as credit unions and others providing the funds for these businesses.

I am surprised at this attack in the way that it has been done because most people do not know that this Fund is kind of divided into two parts. We have the small nontraditional institutions that provide monies to small businesses in inner cities and rural communities. This is not a minority program, as it was referred to a moment ago; I want to set the record straight.

□ 1700

I want to set the record straight. This is a program that operates throughout this Nation in rural communities, in inner cities, in suburban areas. This is a program for everybody, and they do avail themselves of it.

Let me also make something else clear. When this program was initiated, even though the President had a vision for how we could put this money into small development organizations and institutions such as credit unions, the gentleman from New York [Mr. FLAKE] said no, we are not going to give it all to these nontraditional organizations and small banks and institutions. We are going to give some of it to them, but we are going to give some of it to the big boys, so they too can do some of this community development lending.

There has been no talk or investigations or planting of information about the Bank of America or Chase Manhattan or CitiBank or NationsBank. They all participate in this program. They are on the other side. They are the big institutions who have money that they use to do whatever they are supposed to do with this money. But this is just to look at the small kind of nontraditional institutions that are helping small businesses. So I am surprised.

Mr. Chairman, let me just say that it was said that this money has not been allocated in a timely fashion. Let me correct the record. Over two-thirds of this money has been issued as of March, over two-thirds of it has been given out.

Let me tell the Members why we do not want to freeze the funding. The gentleman from Alabama [Mr. BACHUS] would have us believe this does not really hurt anything; we are not trying to strip it, we are simply trying to freeze the money and keep it at certain levels. We are all basking in the glow of the growth and development and the success of our economy in this Nation. We like to get up and talk about how well the economy is doing.

These little businesses want to do well, too. They want to take advantage of this growth and all that is happening in the economy. We do not want to freeze them now. Just think what a little money would do for them. They have the ability to put this money out to little businesses who can sell their goods and their services. That is why we do not want to freeze it. We want these little businesses to take advantage of this growing economy.

While I applaud the work of the appropriations subcommittee, and I do, the chairman, the gentleman from California, [Mr. JERRY LEWIS] and the ranking member, the gentleman from Ohio, [Mr. STOKES] have done a good job, as well as other members of the subcommittee in developing this bill, I

am particularly pleased they have decided to increase the funding of the CDFI funds to $125 million in keeping with the budget agreement. Again, we want little businesses to participate in this growth and development. Now is not the time to put our foot on their necks.

The CDFI program does the critical work of revitalizing distressed communities by increasing the capacity of community-based financial institutions to meet the unmet financial needs of this community, at a time when we are talking about welfare reform, at a time when, again, we all wax eloquently about how we want to help small businesses.

The CHAIRMAN. The time of the gentlewoman from California [Ms. WATERS] has expired.

(By unanimous consent, Ms. WATERS was allowed to proceed for 30 additional seconds.)

Ms. WATERS. Mr. Chairman, this is not the time to clamp down, to deny funds. When we talk about we want to help small businesses and we believe in this program and the fact that we should have community development in distressed communities, it does not make good sense.

I would ask my colleague, my friend that I worked with very well, to reject the notion that somehow this is going to make this a better program. I would ask him to simply refrain from trying to deny access to funds for small businesses at this time.

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

Mr. Chairman, in the past year the CDFI fund has generated a considerable amount of controversy. A recent report by the Department of Treasury's inspector general highlighted a number of these problems. I cannot in good conscience even think of increasing the budget of the CDFI funds until these problems have been addressed.

I am also troubled that the CDFI fund has only distributed $4 million of the $37 million appropriated in the last Congress. Our amendment will freeze CDFI spending in an effort to allow Congress to work with the Department of the Treasury to continue to address the points raised in the inspector general's report.

Mr. Chairman, after a 2-month delay, the Treasury Department finally complied with an April 14 request by the oversight subcommittee for all the materials created by Ernst & Young, the accounting firm hired by the CDFI Fund to review fund procedures. In these documents were interviews with CDFI fund employees which indicate that CDFI employees raised a number of troubling issues concerning the administration of the awards.

These allegations include: CDFI officials instructed reviewers to emphasize positive information for applications being passed, and to emphasize negative information for those failing. Certain applicants received requests for clarifying information from CDFI reviewers that went beyond clarification and constituted assistance in preparing the applications. CDFI was helping certain applicants receive what was supposed to be competitive awards.

Extensions on applications were granted to some but not all applicants. CDFI regulations required a three-tiered review process. This was ignored. For instance, the Tier 1 reviews were not conducted until after the award decision was ultimately made.

The Fund reviewed certain applicants with different review criteria than other applicants. Applicants were interviewed but no accurate records of the interviews were ever prepared. The list goes on and on.

I must stress that these allegations were made by CDFI employees and are being investigated by the oversight subcommittee. Clearly there are too many additional questions that need to be addressed before we can even consider increasing funding for this program. Perhaps we will be able to increase the funding at a later date when the inspector general and Congress have finished their investigation, but in the meantime, I urge all of my colleagues to support this amendment until the oversight and investigations committee can resolve these very serious issues.

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

Mr. RILEY. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, let me first clarify two things that I think have been said here that are in error. One is that the inspector general has addressed the issue of whether the grants were proper or not. In a letter to me yesterday, she says that her investigation was restricted from that, and that that investigation continues to go on. So she has really not addressed that. We do not know whether or not the grant process, whether or not there was fraud or whether there was not.

What we do know is that the letter of the law was not followed, that documents were manufactured. I think it does put us on the horns of a dilemma. The Department of Treasury has not dismissed this. They say they have serious concerns about this.

What I am saying, and I am not speaking for my colleagues, I am not talking about the underlying intent of this program. I am not talking about the good it has done or that it could do. I am certainly not saying there is not a need in these communities for help and that there are some worthy goals.

I am simply saying that when we take 271 applications and give four applicants about one-third of the money without a review process, and then take the other 267 and make them go through a review process, and then when I am charged as chairman of the Committee on Government Reform and Oversight to come in and review the process, and instead being told, hey, we do not have any paperwork on these four, these documents were put in there to mislead.

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

Mr. Chairman, for all the reasons that the distinguished gentleman from Alabama [Mr. RILEY] just stated I would urge opposition to his amendment, which is well-intentioned, and support of the full funding for this program.

I do so on the following basis. The gentleman indicates that last year a problem occurred. It is my understanding, I say to my friend, who has much more knowledge on this issue than I, I want to say that out front, but it is my understanding that in fact the applications to which the gentleman refers were in fact reviewed, but there was not the proper paper documentation of that review.

Now that aside, because I do not have nearly as much information as the gentleman does, that issue occurred last year. That issue is properly under investigation by the committee, as it should do, as it has a responsibility to do, to ensure that in fact proper procedures, legal procedures, effective procedures, are pursued for the purposes of granting dollars appropriated by this Congress. I applaud the gentleman for that effort. It is an appropriate effort. I support it.

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

Mr. HOYER. I yield to the gentleman from California, my very good friend who has written an extraordinarily good bill.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague's yielding and his comment.

I must say to the gentleman, the only reservation I have, for I am concerned about programs that affect the inner city and small businesses, et cetera, is that when we went to the Committee on Appropriations, the Committee on the Budget and the Committee on Banking and Financial Services generally had expressed dollar levels but this information was not available to the Appropriations subcommittee. This does concern me.

Mr. HOYER. Mr. Chairman, I thank my chairman for his comments on that issue.

I believe for the reasons stated by the gentleman that we ought to reject his amendment, not reject his investigation, not reject going forward to find out whether there was wrongdoing here—that is appropriate and we ought to do it—but I say to my friends that this activity occurred prior to the budget agreement. The budget agreement entered into by both sides contemplated and agreed to the full funding of this program.

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

Mr. HOYER. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, let me say this. On April 14, I announced my intention to review the files. These

documents were created on the night of April 17 and the morning of April 18. I have been attempting since that time to find out the truth, and it was only on the inspector general's report coming in this week that I knew about it.

Mr. HOYER. I understand that.

Mr. BACHUS. Mr. Chairman, I do agree that we are caught on the horns of a dilemma, and that you can advocate for this program and condemn the act that happened. So I do not fault the gentleman for that. We have been hurt in our oversight. I do not question the gentleman's motives. I do not question that. That is not for me to do, or to question the effectiveness of the program.

Mr. HOYER. I thank my friend for his comments.

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

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

Mr. VENTO. Mr. Chairman, I think we concede that nobody is going to defend the fact that somebody began to put it on paper after the Oversight Committee chairman properly asked for some materials. But the fact is that the contention that there has been no evaluation done, even if it was done orally and it was not put on paper, does not mean that it was improper. That is a legitimate question. The gentleman would like to put things on paper, and I do, too. But the fact is that there is no demonstration that anything that has been done is improper. In fact, most of the information that has been alleged to be improper has, I think, had satisfactory answers brought to the conclusion with regard to this.

Mr. BACHUS. If the gentleman will continue to yield, Mr. Chairman, there are two allegations that things may have been improper. One is that these documents should have been dated. Even the legal counsel at Treasury cautioned against doing what was done.

I will say this, and I say this with some hesitance of being misinterpreted, but I am going to say it, President Clinton was a supporter of this program before it was created. He advocated it before it was created. He was a proponent of it. So his involvement in pushing it or advocating it should in no way indicate any ill intent on his part.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 5 additional minutes.)

Mr. HOYER. I thank the gentleman for his comments. That is why I suggest to my friends, as I said at the outset, that I think the gentleman's comments really lead us to remove ourselves from either horn of this dilemma.

The reason I say that, it seems to me self-evident that we have a program here which almost everybody who has risen to talk has said has a worthy, important critical objective, to give economic development in those areas where all of us want to see economic development, job creation, and better lives for people.

□ 1715

If that is our objective, then the budget agreement which contemplated the full funding of CDFI ought to be pursued at the same time that other horn ought not to be abandoned, that is to say, this investigation; this investigation into whether or not the administration of this program is being pursued properly, which I do not know, but if it is not, it ought to be. I agree with the gentleman from Alabama.

I also appreciate the gentleman's remark, the President has been a very strong proponent of this program, long before there was any question of impropriety. The President does not want impropriety any more than the gentleman from Alabama. But what the President does want and what he asked for in the course of the budget agreement was that this program be pursued vigorously because the objective was critical. If we are going to energize and grow communities, we need to have healthy economic engines for not only central cities but also other areas.

So that is why it is so important that we fully fund this program today, and I might say to my friend, there will be time obviously between now and the adoption of the conference report. And as the gentleman well knows, this money is October 1 forward money, so that if we do not give the lead time now, once you resolve the problem and we do not have the resources, we will not be able to pursue the program as vigorously as I think most wanted.

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

Mr. HOYER. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, the bigger question is, we are talking about four loans in question totaling $11 million that went to Shorebank Corp. of Chicago and three related companies. A college roommate of President Clinton worked there in the 1980's. They came down and set up a corporation in Arkansas which Mrs. Clinton became a director of and formed through the Rose Law Firm.

The one firm, the group of companies that got $11 million from this fund are the only ones we cannot find documentation towards. So we are urgently concerned with the way this particular grant was authorized. There may be nothing inappropriate about it.

Mr. HOYER. Reclaiming my time, Mr. Chairman, I will say with all due respect to my friend from Florida, your side of the aisle is unbelievably concerned with anything that Hillary Clinton may have had any relationship to over the last 29 years of her life.

Mr. Chairman, in closing, I believe we can extricate ourselves from these horns of dilemma on which I do not believe we are hoist. I say to my friend that I think we can reject your amendment or perhaps you would withdraw it. We could reject your amendment and pursue the proper investigation, so that we have a fully funded program that we all think is important, and at the same time make sure it is being run properly.

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

Mr. Chairman, let me say that I wanted us to focus for a minute on a problem we have. That problem is that the people who directed that these documents be placed in the files are the director and the assistant director of this fund. We are not talking about clerks here. We are not talking about low level officials.

We do need to move in two directions. One is that we clean up our program as opposed to close it down, or some for philosophical reasons say close it down. This amendment freezes funding this year. I will say again, I think Shorebank has done good work. I do not think that that, and I have not pointed the finger at Shore Bank or these three other institutions. They received funding.

What I have said is that they did not go through the same process from what the files appeared. It is a different situation. I do not want this to be taken personally on my part, particularly this is a program that the President fervently believes in.

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

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

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's support for the program. The concern I have is that very often in a categorical grant situation there is a lot of communications had between the agency and the applicants. In fact, sometimes they get customized, sort of like a game of ping-pong, until you get the number right.

The fact is this is a relatively small community at this time. It is a startup program. Clearly there are some problems here. I fault them for providing papers after what apparently was the oral and the nonwritten type of approval of these grants. That is regrettable for those of us that have advocated for this program. Certainly for the administration, the President, this is deeply disturbing and we hope we can resolve it.

Mr. BACHUS. Mr. Chairman, I would say that it ought to be deeply disturbing to him to have something like this happen, and him to be involved in it only because he is an advocate and supporter of the program.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. BACHUS. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, let me say that I share the gentleman's concern about the proper management of this or any program. I am the ranking member of the subcommittee that the

gentleman chairs. We have not had a discussion about this. Not once did the gentleman ask me to join him in taking a look at this.

I would be the greatest supporter of trying to make sure that this program and any other program is run properly. We all care deeply about this program. This was a bipartisan effort. We debated this in a laudable fashion when it came before us. If the gentleman wants my cooperation in taking a look, he has it. But I would respectfully ask the gentleman not to cripple this program, not to cripple the institutions, not to cripple the small businesses who will be the beneficiaries, all of those applicants you have from Alabama.

You have about six of your areas in Alabama who would like to have money. We need to expand the opportunities. I would ask the gentleman not to cripple their opportunities with limiting this and keeping it at $50 million when, in fact, the President and the budget agreement that was worked out would allocate $125 million.

Mr. BACHUS. Mr. Chairman, I am sensitive to that agreement.

Let me wrap up and then I will engage in a colloquy. I think what we are doing here today is healthy because we are not simply slamming each other's motivations. We are not trying to grab this for political purposes. I think that it does do a disservice to our debate when we characterize the President's advocacy of this program in a demeaning way. He is a supporter of this program and of what it is designed to do.

We have to have every applicant go through the same process, play by the same rules, and this agency has got to be forthright, honest, open and expedient when we go in to review it. They have to give us an honest review.

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

Mr. Chairman, I am a member of the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations, and this did come before our subcommittee and we discussed it at length. I would like to say to my colleagues, and to my colleague who has this amendment here, we are aware of these allegations of improper activities surrounding the first round of CDFI awards and, coincidentally, one aspect of this allocation was highlighted in today's Washington Times and the Wall Street Journal.

While the appearance of these articles today as we debate this amendment gives the impression of breaking news, I say to my colleagues this is not breaking news and this investigation is not news to our subcommittee. The allegations against the CDFI program were discussed throughout our hearing process. An appropriate investigation has begun and is being undertaken by the IG and the Treasury Department.

So the committee's position is fully discussed in the House report, and we insisted that appropriate changes, safeguards and improvements are made to ensure that every penny that we are appropriating from this subcommittee reaches the budding entrepreneurs and underserved communities for which it is intended.

I beg my colleagues, particularly my colleague who offered this amendment, we must give the CDFI fund a chance to continue to build on its success and make course corrections and, of course, improvements as needed. You do not want to wipe out this program for one or two infractions which you have heard about but that are being investigated.

The CDFI program is well deserving of our support. Our colleagues have told us how good it is for budding entrepreneurs. It has my and many of my colleagues' support. Why do we not give this a chance? Hopefully this well-meaning colleague will withdraw his amendment which will be deleterious to this particular fund. It is already being investigated, and we ask your help in having the CDFI maintain its funds.

Mr. Chairman, I yield to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I thank the gentlewoman for yielding to me.

Let me say I stand in a unique position here in that I am the predecessor of the gentleman from Alabama [Mr. BACHUS] as chairman of the Subcommittee on General Oversight and Investigations.

One of the things that one finds when he or she is in that position is that there are always agency issues that can bring one to a point of wanting to do what the gentleman has tried to do with this particular piece of legislation; or one can make the decision that they are going to try to work with the agency, work through those problems, solve them, based on a desire to want to assure that a worthy program has the ability to do what it was designed to do.

Let us be very clear. I chaired the committee during the time of a Republican administration in the White House. The gentleman was a member of that committee and he knows for a fact that I never did treat the committee in a way where, whatever problems we found in an agency, we treated them as if they were White House problems. We treated those problems based on the fact that that particular agency had some issues that needed to be resolved, either because they were being investigated or we found some problems that we had some difficulty with.

Therefore, it seems to me when we really look at Community Development Financial Institutions and the dual track on which that runs, because it does not stand by itself; it in fact runs also with the Bank Enterprise Act which Tom Ridge and I did as a bipartisan piece of legislation in 1991, long before there was a Bill Clinton in the White House. The reality is, if we look at the first year of CDFI funding, what we ought to be dealing with is, yes, there are some problems.

We all know those issues need to be addressed. There is an investigation. We definitely want to see that resolved. But it seems to me that the intent of the program, which did not really start with Bill Clinton but started way back, which is why Tom Ridge and I did it, and then subsequent to Tom Ridge being elected governor of Pennsylvania, the gentleman from Iowa [Mr. LEACH] and I came back and issued the same legislation again, the reality is, Mr. Chairman, that we as a body, it seems to me, if we are going to respond every time an entity in our communities do not get funded or if we are going to respond to every complaint that is brought before us, we will find ourselves going through almost every agency of government making a decision that that agency ought not be funded.

I would suggest that this is an appropriate agency for us to look at based on its 1 year experience and in looking at that 1 year experience, make a determination in accordance with some recommendations that they have already made, put our recommendations on the table as well, try to work through those recommendations.

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

Mr. Chairman, I am a little puzzled. I was in the Chamber to deal with another matter and I have been listening to this debate. I am a little puzzled about what is going on.

It seems to me that we have got a documented wrongdoing here that has been discussed now in the media, and inspector generals have gotten involved with it, once again showing the worth of having a good inspector general in any of the line agencies, as we have voted in this House recently to approve.

□ 1730

And then I take a look at the bill and suddenly discover that a program that has some mischief in it we are being asked to increase by 150 percent, and that it is a program, it turns out, where some of the mischief is involved with the person who is asking for the increase. I am having a little trouble with that.

We have a responsibility here not only for legislation but for oversight. How do we look our colleagues, our taxpayers, the people we represent back in the district in the eye and say, oh yeah, we sort of saw that but we winked and nodded at it because it was OK. We went and took a look at the fact and, yeah, they said, oh, they did something wrong.

What are these folks doing? Well, these folks are out there instead of ripping stuff up before the cops come through the door, they are making up the justification to cover up, to put stuff in the file. That is intentionally misleading a congressional committee. That is against the law. There are penalties for that.

I cannot understand why we are all just standing here saying, oh, this is

OK. It is not OK to mislead a congressional committee, and we all know it.

They want us to believe that this is just an innocent mistake. Let me read here from the memo that was put into the file, after the fact, to aid and abet this coverup. ''The applicant is potentially competitive.'' Now, remember, this is put in 2 months after the money has been given to the applicant. ''The interview team will need to review the application in depth to determine whether or not the application is in actuality competitive, and if it isn't competitive, how much funding to provide, in what form, and for which initiative.''

That statement is put into the file several months after the money has been given. That is a blatant bald-face attempt to mislead investigators by a line agency over which this institution has oversight under the balance of powers. We are accountable to the people of the United States of America to say this is wrong, we will not tolerate this, and we expect cooperation from the other branch of Government.

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

Mr. Chairman, the gentleman from Florida has illuminated the problem. He talks about people who he believes violated the law. He talks about people who mislead the Congress, and he supports an amendment which does not penalize them in the slightest. This does not cut their salary. This does not let the air out of their tires. This does not wake them up with a crank call at 4 o'clock in the morning. It cuts the program so that the intended beneficiaries are denied the funds. That is the illogic in this.

In fact, by this reading, the beneficiaries have already been hurt because people running the program ran it badly and we will show those people who ran the program badly, if they cheated the beneficiaries, we will cheat them even more.

This is like the parent who tells the teacher, ''You know, my kid is very sensitive. And if he misbehaves, smack the kid next to him. He will get the message.''

This is not hitting the person who misbehaved, this is smacking the person next to them. And we are telling the poor people, who are supposed to be the beneficiaries of this program, that because they have suffered maladministration, we will go after the program.

Now, I thought Republicans believed that what we should do was encourage self-help. We have cut housing, we have cut benefit programs, we have cut welfare. Have we no other way to deal with maladministration than to deny to the intended beneficiaries of a program the benefits they are supposed to get?

The people who misbehaved will be left whole by this. They will in no way be inconvenienced. Indeed, they will be paid the same amount of money to do less work.

Now, I appreciate the gentleman from Alabama, and I mean this seriously, that he said he was not impugning their motives, and I do appreciate that. I did begin to hear some dark plots about Hillary Clinton, and I thought we were going to be told that the documents had been found in Vince Foster's briefcase. But the gentleman correctly said this is a question of how we deal with programs. But the question is how do we deal with inefficiency, corruption, or whatever in a program.

Do we punish the intended beneficiaries? Do we hit the innocent victims? Because that is what this amendment does. Or do we say let us prefer charges. I am not familiar with the specifics. But if someone violated the law, we should not take away the program they are administering from the people on whose behalf it was created. Go after them.

I am particularly concerned by the double standard. The gentleman from Florida, who spoke just before me, has been very active on the Permanent Select Committee on Intelligence. My recollection is a few years ago we found about $4 billion they had not told us about. They hid $4 billion. And what did we do to them? We said spend that more carefully the next time. The intelligence agency has been plagued with problems, spies, et cetera. We have not cut intelligence because of that.

Indeed, I think we could have cut them for other reasons. When we have cost overruns in the Pentagon, when we have other problems, do we penalize the programs' intended beneficiaries' shares? That is the illogic.

Have we not done enough to the poor? I mean this. Let us look at the budget. We have said, no, we cannot have welfare, we cannot have food stamps. People can make an individual justification for each of those, although I would disagree. We cut housing. We cut welfare. We cut for the least among us.

We did say, OK, here is what we will do. We will fund the program $150 million, not even the margin of error in the average Pentagon program, and we will take that and we will give that to these people for them to engage in self-help. There has been no allegation that the beneficiaries misspent. There has been no allegation, and the gentleman from Alabama quite generously noted some of the beneficiaries had done a good job.

Well, who do we think we are punishing? What is the logic of saying to one group of administrators, because you did badly we will, therefore, hurt the people for whom the program was intended?

I hope we will reject this amendment because I have not heard any arguments against the nature of the program, against the way the program works out in the street. I have not heard arguments that the program in its execution is flawed. I have heard some people at the top did bad things. Go after them.

Do not take the poor people of these cities, who are the intended beneficiaries of this, hostage in our frustration that some high level people did something wrong.

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

Mr. Chairman, for 11 years here I have argued consistently that the only way we really get to the bottom of trying to resolve many of the issues that are endemic to those communities where many of us would agree we need to make adjustments in our approaches to social programming is to create investment vehicles, investment opportunities, create the means by which government becomes the tool that leverages the possibility for development.

I am more than a Congressman, I am a minister who happens to be involved in development and has done more than 50 million dollars' worth in the community where I live. The bottom line is the one thing we do not have in those communities is access to capital. One reason we started out with the Bank Enterprise Act was to create vehicles by which we could get capital into the communities and not just focus on housing but also focus on redevelopment of commercial strips, getting people involved as entrepreneurs, getting them in business for the first time in their life.

If we are talking now about trying to reduce a program that has only been funded for 1 year, we are going to take away funding in the second year, the reality is it will take us almost forever to get that program back up to a point where we get businesses started in those communities.

Now, I find a problem in terms of the rhetoric that I hear here. On the one hand I hear my colleagues on the other side talk about how we need to move people from welfare to work. And then here we talk about, in spite of the fact we want to do that, we are going to take away one of the few leveraging tools we have to make investments to try to create jobs in those communities where the people live who would come off of welfare and go to work.

I do not need anybody telling me what the politics may be. I want them to deal with some realities. I have been fortunate where I am to create 800 jobs, I have about 800 employees, largely because initially we did investments from church funds. Most entities cannot do that. They need this leveraging tool. They need the synergy of government being involved with these community development corporations so that they can do what they are unable to do by virtue of the fact the resources are not available to them.

I would urge my colleague again to take a very close look at what his legislation does. I think it is a piece of legislation that, if he really would give consideration to, he might want to think about withdrawing because this

piece of legislation does damage to any possibility of being able to restore those communities, to create jobs in them, to put those commercial strips back on the marketplace.

If those commercial strips go back into the marketplace, they become taxable entities. If they create jobs, they create opportunities for folks to actually make contributions to the Federal Government through taxes that they currently are not doing. They create working communities where people do not have access to jobs.

I think we are doing a dangerous thing, and it is my hope that my good friend from Alabama will take a very serious look at the damage that will be done if we go in the direction of this amendment. And I would say to him again, having served as chairman of this oversight committee during the previous administrations, which did not involve Bill and Hillary Clinton, there were many times I could have actually done what the gentleman is doing. I did not do that. I did not do it with HUD or even with the RTC, in spite of all the tragic problems they had, but rather we tried to work with the administration.

I would urge the gentleman to work with this administration. Let us do what is right to try to move forward as a nation.

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

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

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's work on the oversight and his work on the RTC oversight. I similarly, before that subcommittee, I headed a task force on the RTC, and I think we made it a better entity of the Resolution Trust Corp.

I would point out in the report of investigation by the Department of the Treasury, the office of Inspector General, and I am reading, ''On June 25, 1997, THOMAS Byrnes and Charles Mitchell, Auditors, Capital Audit Region'' of the office of inspector general from Treasury, ''conducted a comparison of the information contained in the four undated memorandums with the information provided by Rohde,'' who is the individual involved, in the oral memorandum based on the contemporaneous notes taken by Rohde, Cooper and Piper during the oral memorandum presentations. There was nothing in the notes which contradicted information presented in the written memorandums.

I would point out that the information is consistent. That does not, in my judgment, excuse or justify the fact that these memos were written and not dated and placed there prior, but it does to me suggest that there was an evaluation process that was in place based on what was a substantial memory of the individuals making the awards.

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

The question before us really is one of propriety, and I regret to say that I am very disturbed by the developments that I have read concerning the handling of the funds in this matter.

But let me speak first to the issue of whether the Congress is or is not being responsive to the needs of those in low-income communities, particularly in light of the debate as to whether this is an effective program or not.

The CDFI Program was a joint effort of the gentleman from New York [Mr. FLAKE] and Mr. Ridge several years ago, and at the time of its outset I was a supporter and felt confident it was a direction in which we should move. I pointed out then, however, and I point out to Members tonight, that the community investment program of the Federal Home Loan Bank, a program that exists today, as of the close of business in 1995, in 1 year, extended loans to low-income communities totaling $9 billion. Nine billion dollars.

So to say that programs of this Congress intended to help low-income individuals are not available is simply not accurate. Matter of fact, I would strongly support an expansion of the applicability of the CIP Program because I know how those funds are awarded and that deserving people get real opportunities.

The problem for us here with this debate is that with the CDFI Program, upon further examination, we cannot defend how the awards were made. There was no objective scoring criteria. There was no way to go back and say tonight that the $50 million that has been authorized and allocated, we know how it was given out.

Apparently the documents that have been the subject of controversy were inserted into the public record after the determinations were made. That is troubling.

All I am suggesting to my colleagues is that we should move very carefully. And the gentleman from Alabama [Mr. BACHUS] is suggesting with the adoption of his amendment that we say, wait a minute, let us keep it at last year's level 1 more year. And what are we talking about? The difference between $50 million, last year's appropriation, and the 125 previously agreed to. And I would point out to the gentleman that perhaps $25 million of the previously authorized 50 was actually spent.

So what is the rush? Why do we not take the proper steps? Because of one simple point. When I get off the plane and go back to Baton Rouge over the weekend, I will find it hard to say that $150 million is insignificant money to people in my district. Not that we are abjectly opposed nor in any way resistant to helping those in communities who have financial need, that we do in fact want to help, that we would like to see programs like the CIP Program properly managed and properly operated, and be fully funded. I can be supportive of that. But we should not at this point take this step without making careful review of the circumstance surrounding this program.

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

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

Mr. FLAKE. Mr. Chairman, as the gentleman from Louisiana knows, over the years I have argued that in order for us to really build a concept of holistic communities, we cannot merely talk about housing. And what happens, and the gentleman is absolutely right, there are funding mechanisms available, Fannie Mae, Ginnie Mae, Freddie Mac, all of those are available, but what they do is basically concentrate on housing.

Mr. BAKER. Mr. Chairman, reclaiming my time briefly on that point only, and then I will be happy to yield further, the community investment program of the Federal Home Loan Bank funds firehouses, multifamily apartment houses, restaurants, anything a community needs, and $9 billion of it was done in 1995. So this is not a limited purpose program that I am referencing.

Mr. FLAKE. Mr. Chairman, will the gentleman continue to yield?

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

□ 1745

Mr. FLAKE. Mr. Chairman, if we look at that very closely, what we find is that the resources that could be made available for the redevelopment of those commercial strips, the rebuilding of the small business sector in those communities, that is not where those funds are going.

Mr. BAKER. Mr. Chairman, reclaiming my time, let me give one further example, if I might. Under the Federal Home Loan Bank Community Investment Program, if the employees working in a business make less than 80 percent of the median income in that community, meaning lower income salaried employees, that business owner can go to the Federal Home Loan Bank member bank institution and refinance their entire business debt at a federally subsidized, low interest rate.

Now I can tell my colleagues that is a pretty distinctive advantage for low-income families. The fact is it may not be utilized everywhere. I do not understand, but it is currently being done.

Mr. FLAKE. Mr. Chairman, if the gentleman would continue to yield, it is an advantage. It is not enough. The bottom line is, if you are only dealing with the existing businesses, you still do not create the kind of opportunities that CDFI was intended to create.

We are talking about bringing new businesses into the mainstream. We are talking about potential entrepreneurs who right now have the basic plans but do not have access to the same——

Mr. BAKER. Mr. Chairman, reclaiming my time, I agree with the gentleman that we ought to have more innovative ways. The only thing I am suggesting here this evening is that we

need to make sure they work before we put more money in them and there is question as to how this one works.

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

Mr. Chairman, I will be brief and just make a couple of points. First, allegations have been made about improper behavior. Those allegations should be followed up. If people acted improperly, we should deal with them in accordance with the law. And I do not think that there is anybody who disagrees with that. And when somebody on the other side says, we do not care, that is wrong.

On the contrary, because we believe in these programs, we demand that they be administered properly. We do care, and we wanted to know about any illegalities, and we will work with anybody to address those problems. It is of concern that, as far as I understand it, the ranking member of that committee was not officially informed about these problems, and that does not suggest to me a nonpartisan way to address them. That is point No. 1.

Point No. 2 is, there is an enormous need for capital in low-income communities. And the gentleman from Massachusetts [Mr. FRANK] made a point a moment ago that needs repeating. I brought forth an amendment to cut funding for the intelligence communities after I learned that the National Reconnaissance Office had ''lost $4 billion.'' We were not successful in lowering funding for the intelligence agencies.

Time after time, cost overruns occur in the military; and through defense contractors, they continue to get increases in their programs. What we are saying is, we have a program here where the need is desperate. Low-income communities in Vermont and throughout this country need the capital to help small businesses and other institutions.

If people have acted improperly who are in the administration of that program, deal with that. But do not kill or paralyze the program because of the misdeeds of those people.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I am pleased that the gentleman pointed out again that there was no attempt to work with me, no attempt to talk with me about problems that have been identified or problems that have been found. Anybody that knows anything about me knows that I will investigate, I will find out who is doing what, I will help get to the bottom of it.

Let me just say this: Questions still remain. I am not opposed to working with the Chair and the gentleman from Florida [Mr. FOLEY] to continue investigation, to expand investigation, to look at this from every angle that we can possibly look at it. I would think that the thing to do is to not penalize the businesses that would be the beneficiaries.

Remember what we are doing now in the budget. Remember how we targeted small businesses with capital gains tax cuts in order to grow them.

Mr. SANDERS. Reclaiming my time, if I might, may I ask the gentleman from Florida [Mr. FOLEY], I think what he is hearing on this side is no tolerance for misbehavior in the administration of that program.

Are we in agreement with that?

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

Mr. SANDERS. I yield to the gentleman from Florida.

Mr. FOLEY. I understand that.

Mr. SANDERS. Reclaiming my time, and what the gentleman is hearing, sir, is that we wanted to move forward in a nonpartisan way.

Is the gentleman hearing that?

Mr. FOLEY. If the gentleman would continue to yield, I am hearing that, sir.

Mr. SANDERS. Reclaiming my time, OK, so let us do that. But can we have some assurance from my colleague that we should not be punishing people and small businesses in needs, that we should pass the appropriation that came out of the committee, and then let us proceed tomorrow to do the proper investigation and let us deal with that?

I yield to the gentleman.

Mr. FOLEY. Let me just reiterate. Fifty percent of the money still remains in the account to be given out. This amendment would allow an additional $50 million to continue to loan out to communities.

Mr. SANDERS. Reclaiming my time, I am really aware of that.

Mr. FOLEY. If the gentleman would continue to yield, and may I also stress the Senate VA–HUD passed out a zero funding for this category out of their committee yesterday. They zeroed out the account.

So we clearly do not want to do that. We do not want to go backward in time.

Ms. WATERS. Mr. Chairman, will the gentleman yield for a correction about how much money has been spent on the program?

The CHAIRMAN. The gentleman from Vermont [Mr. SANDERS] controls the time.

Mr. SANDERS. Reclaiming my time, I would just ask the gentleman from Florida [Mr. FOLEY], if the Senate has done that, then it is more important that we come forward with the full appropriation.

I would just urge the gentleman to understand that people on this side are not tolerant of any improper behavior in terms of the administration of those funds, and we will work with them to get at the root of the problem. We would hope, however, that he would support the full appropriation and allow this important program to go forward.

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to join my colleagues on both sides of the aisle in expressing concern if there has been impropriety in the administration of this program. I do not think any of us has the luxury or the American people have the luxury of tolerating improper conduct in the administration of any government program.

Having said that, let me also be realistic and say that there is not a government program anywhere where there are not some kinds of problems in them, and it is always our responsibility to try to identify those problems and to address those problems, and that is why we have oversight committees. That is why we have, hopefully, people of goodwill who are elected to office, both on the legislative side and on the executive side, who have as a responsibility running Government as cleanly and honestly and as efficiently as we know how to do it.

But there are communities throughout America who need the benefit of this program, at full funding, not at some reduced level, at full funding. There are problems obviously in the military. We heard about exorbitant cost of toilet seats and hammers. We did not go in and try to zero out or freeze the funding of the military. We identified those problems and we continue to identify those problems and try to address those problems.

There are problems of sexual harassment in the military, but we have not tried freeze the funding of the military because of those problems. We have tried to address those problems straight on, straight up, go directly at them, and the reason is that we know that there is an important public defense purpose that the military serves in our country.

What I have heard on both sides of the aisle is that there is an important public purpose that this CDFI program serves for our country. It was a bipartisan initiative. It was funded through bipartisan efforts. The makeup of it was influenced by my colleague, the gentleman from New York [Mr. FLAKE].

This is not welfare. This is something that advances what all of us support and stand for, which is the ability of every single community in our country to participate in the economic vitality of our country.

I am not critical of my colleagues for investigating any improprieties in this program. We have committed to join in the investigation because if somebody is wasting money that should be going to revitalize programs in inner cities, in rural America, in decaying communities, every single one of us should be outraged about it, and we are outraged about it if their conduct is improper. But that is not, that is not, my colleagues, an excuse to freeze the funding for this program, because then we are saying that the program has no value.

Mr. Chairman, I ask my colleagues to withdraw this amendment and allow regular order to proceed.

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

Mr. Chairman, I have listened rather intently to this debate and certainly much has been said. As a matter of fact, I agree with much of what I have heard. But it is very difficult to agree with the bottom line, and that is if the bottom line is to deny people all over America.

This program is the result of the creativity of Shore Bank, before the program started, developing some creative initiatives on how you could get money into low income communities, how you could make sure that people who had never gotten a loan could get a loan for their business, people who had never been able to purchase a home could purchase one through the creativity of the banking process.

Then Governor Clinton saw it, liked it and, as he became President, became a real proponent of it, talked about it all over America. And now I hear us saying that because the bath water might have gotten a little tainted that we are going to throw out the baby, too. Well, the baby really had nothing to do with tainting the water. I was at a Shore Bank just this past Saturday, a Shore Bank that is less than two blocks from my home, who reaches out into communities and asks people do you really need a loan? Come and let us help you go through the process, let us help you determine what you need to do, let us help you find out whether or not you are eligible. And so I join with those who would suggest that it is in actuality one of the best economic development programs that America has seen, and to be against it, to reduce the money, is like saying we like it but we are not really willing to demonstrate that we like it.

□ 1800

If we like it, let us fund it.

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

Mr. Chairman, I rise to plead with the Members of this body, to plead with the sponsor of this amendment, to plead with him on behalf of poor citizens who reside in the First Congressional District.

Mr. Chairman, this bill that we are discussing, the Community Development Financial Institutions Act, the CDFI, did not happen accidentally. This bill came into existence primarily because folks who live in districts like mine, the First Congressional District of Illinois, could not get adequate loans, could not get adequate credit for their homes and their businesses. We were indeed what one calls a classical credit-starved community.

Shore Bank, without the support of any governmental institution, decided that they were going to stand up and turn what most had viewed as being a lemon, turn it into lemonade. They began to develop an approach to providing credit to communities and to people that could not get it heretofore. They began to reach out and say to the people in South Shore, Jackson Park Highlands, Woodlawn, Grand Boulevard, other communities in my district that, notwithstanding the heartlessness and the callousness of the major banks in this city, we will indeed take your plight and your cause up and we will develop the kind of approach where you can get loans for your businesses and loans for your homes. They started this approach. They created this vehicle.

Mr. Chairman, when I was elected in the 103d Congress, when I came here in 1993 and served on the Committee on Banking and Financial Services, when this bill was discussed I was most proud. Most proud. As a matter of fact, this was the high point of my brief career, to have been able to work with other Members on both sides of the aisle on the Committee on Banking and Financial Services to make this bill a law.

Mr. Chairman, I have one pen, one pen where a President signed a piece of legislation, one letter engulfed with that pen, and that is the pen that the President gave to me when he signed this legislation. I think it is symbolic, Mr. Chairman, for a person who fought all their lives on behalf of poor people to be able to vote and to work on a piece of legislation that this body passed into law to create this particular bill, to create this particular measure.

Mr. Chairman, we can talk about a few Federal employees who might have done the wrong thing and, yes, we should look at them. If they did wrong, then they should be fired. But let me tell my colleagues the other side of this.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. RUSH] has expired.

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

Mr. RUSH. Mr. Chairman, what my colleagues are attempting to do right now is to stop a young businessman in my community right now who is struggling. He is a successful entrepreneur, has a clothing store, Jacob's Store for Men, he has been located on 79th Street in my district for about 5 years, and he has been a success. He has got five employees, all working people with families, and his business has been so successful that he wants to expand. He has gone around to all the major banks in the city asking them, pleading with them, look, I have been in business 5 years, I have got employees, I have got five employees with a family, my business is good, will you give me a loan so I can expand?

Each time, the door has been closed on Jacob and his store for men. Shore Bank is the only one that right now is considering giving this small businessman an opportunity, a leg up, to help expand his business and keep that success going and also in order to make sure that he continues to have families fed because they are in his employ.

This particular example can be multiplied time and time again. I would invite the gentleman from Alabama [Mr. BACHUS] and anybody from the other side, anybody on this floor and in this body, if they doubt the success and the impact of Shore Bank, let me take them into my community. Let me have them walk down the streets of South Shore and look at the apartment buildings where they have invested their moneys and turned apartment buildings around. Let me take them to the factories where they have helped factory workers.

Do not throw the baby out with the bath water. If my colleagues have a problem with how this program is being run, let us correct the problem. Let us not target South Shore Bank because that is what it is all about, is South Shore Bank. Do not target South Shore Bank. Let us solve the problems and keep this money and keep this budget and keep this agreement alive.

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

Mr. Chairman, as I indicated earlier, much of this information and these expressions of concern were not available to the committee when we discussed it at the appropriations level and this increased appropriations was recommended. Nonetheless, I am very interested in this program and its potential positive effect on the communities out there. I want to make sure that the committee is doing all that it can to make certain that funds made available by way of an appropriate and objective application process get to the very people we are all concerned about here.

With that, that the committee does want to continue to look very, very carefully, Mr. Chairman, I do not pretend to have the expertise of the people on the Committee on Banking and Financial Services that suggested that perhaps there should be an increase and the budget process did that as well, but I am not sure they had all this information, either.

In the meantime, while I would discontinue my own personal remarks regarding this matter, I would like to yield to my two colleagues here who have been leading the way in connection with this and pursue this to the point that satisfies them as we close down the discussion on this amendment.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I thank the gentleman for yielding. We are engaged in what I hope is fruitful conversations with the other side of the aisle on this issue.

I think clearly the discussion has centered on some concerns that we have regarding the program. I think statements made by Members of the minority have indicated they too are concerned with some of the aspects of

the program. I would be agreeable to creating a mechanism by which we freeze, or at least accept, the $50 million offer on our amendment if we would have within the next 90 or whatever days, until October 1, an investigation, to indicate the problems, a set of guidelines that would be adhered to in future grants. If we can adopt those types of standards as the gentleman from Illinois [Mr. JACKSON] and I have been discussing, if we can discuss those standards, then we would allow the amendment to enact $125 million on completion of those issues.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, the ranking member of that committee rejects that offer. Let me just say that I would certainly advise the members of the Committee on Banking and Financial Services to reject that offer.

I would be supportive of doing everything that the gentleman has talked about, even though I was never contacted about concerns, even though I was never told about an investigation, even though I was never in any way brought into this. I am perfectly willing to expand the investigation, to go beyond even where the chair of this subcommittee has gone in an effort to find out what happened. But I would want the $125 million that was appropriated by the Committee on Appropriations to remain intact and only if the investigations reap the kind of information that shows that there has been fraud, there has been absolutely wrongdoing, then I would join the gentleman in reducing the amount. But not the offer that has been made, no.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time for just a moment, I might suggest that what is really being discussed here in good faith on the part of all the parties is the prospect of developing language that could fit into a manager's amendment as we go to the conference on this matter. I would not want to reject that out of hand.

I would hope no one would who is concerned about making sure these moneys get to the people that we would intend them in the first place. I did not know about these questions in depth when the Committee on Appropriations worked on the bill as well.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, let me stress that this is not about mischief, this is not about giving demerits. This is about willful intent. This is about misconduct. This is about trying to mislead Congress and, therefore, the American people in our oversight. This deals with the highest officials at CDFI.

What I am saying is, enough is enough. How can we increase funding for a program that has fought oversight and has significant problems? We can clear this up, and I do not know if it is 30, 60, or 90 days, but the Treasury Department has to get out of denial.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. BACHUS. If the gentleman will continue to yield, as the chairman of the Committee on General Oversight and Investigations, we cannot have oversight as some cat and mouse game where we have to ask the right question in the right way. If we do not, we get a misleading answer, we get no answer, or we get a promise of an answer. This is serious. We owe the American people oversight, and also we owe them an honest process of awarding these grants.

Good recipients, good intentions, but we also have to have an honest, open, good process of making these awards. I will simply say that we have got to address this problem. It is a problem that we have and the administration has, and it has to be addressed and it cannot be glossed over.

□ 1815

And, as my colleagues know, my patience is being tried on this, that we do not really have a problem or this is all politics when we have the creation of these documents against legal advice.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate it, and let me just say that I from the onset I think helped set a tone here with regard to not attempting to defend actions where individuals manufactured papers to present to the subcommittee, and I think we are of one mind with regard to resolving that, wherever it leads. At the same time, I do not think that we would for a problem in an arms program disarm the soldiers, and I think that is the concern we have when we see the pleading with people like the gentleman from Illinois [Mr. RUSH] and others, and I would just say that we are of one mind with regard to this, and this is an issue included in the budget negotiations which most of us were not part of. I trust that maybe our colleague, the gentleman from California [Mr. LEWIS] and he says no.

So I think, as we go forward, I think the understanding is that we have gained some, I think a major concession here today in terms of this, if that was the concern. I do not know that my support was ever lacking with regard it, but if we could go forward with this, with this understanding that if these questions or criteria that our good friend from Florida has articulated are not satisfied in the sense of before the closure on this particular bill with regard to conference, then I would think that there would not be the support evidenced in the House, and we would agree.

So I think that is; I mean if we in fact now choose to in fact adopt an amendment that would substantially limit this and truncate the program, there would be no opposition to negotiate based on what is a subcommittee action.

Senate, I might say at this time, and I appreciate the gentleman yielding, but that is the dilemma. So if we could get with this understanding that I think we have from the gentlewoman from California, the gentleman from New York, and myself and others, I think we would be fully in support of resolving the questions with regard to the criteria outlined from the gentleman from Florida.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I believe we are getting close to the point of coming to an agreement that will cause the gentleman from Ohio [Mr. STOKES] and myself as we go to conference on behalf of Members of the House on both sides of the aisle who are concerned about a very important program being dealt with in a straightforward way with objective standards and so forth; when those expressions come to us, I think we will be ready to commit that we will carry that voice to the conference. But indeed we have had a very extensive discussion, a very healthy discussion, I think.

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

Mr. LEWIS of California. I yield to the gentleman from New York, and then we will go from there.

Mr. FLAKE. Mr. Chairman, the question I ask is that we have a full understanding of what it is we will be taking to the conference. So on the one level we are hearing that we would agree to $50 million, and then we would have this interim period between now and October 1, at which we would do an analysis of those issues which are outstanding, while in the committee print we are talking about $125 million where we would do that analysis, and if that analysis proves that all things are all right to move forward, then the whole 125 would kick in as of October 1, the new budget cycle.

Am I correct in that understanding, or am I incorrect?

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. As I understand, I think part of the budget agreement was funding at $125 million. I do not think any of us anticipated on this side of the aisle or on that side of the aisle that we had the problem that we now know we have. The Secretary of the Treasury can address this problem and take immediate action, and he needs to set a standard over there, and he needs to, quite frankly, punish those who have done wrong. And as my colleagues know, I think we can commend to him, he can take action, and we can get this program back on track.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. LEWIS of California. I yield to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS. I do think he has a role to play, and he needs to play that role. And the agreement that my colleagues have outlined I think is our agreement, but I just hope they are as serious as we profess to be about this.

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

Mr. LEWIS of California. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, my understanding that what we are agreeing to is that it would be full funding as of October 1 if those issues are resolved?

Mr. BACHUS. Mr. Chairman, if the gentleman from California [Mr. LEWIS] will continue to yield, those problems need to be addressed, and they need to be taken seriously, and there needs to be serious action taken.

Mr. FLAKE. We agree with the gentleman. I do not think anyone over here has disagreed.

Mr. BACHUS. Then we have an agreement.

Mr. FLAKE. So then the gentleman would actually go with report of the committee based, and then have the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] agree to the language that would, in fact, allow that to kick in, the issues that the gentleman considers to be outstanding are resolved between now and that time.

Mr. BACHUS. That is correct.

Mr. FLAKE. Is that correct?

Mr. BACHUS. That is correct.

Mr. FLAKE. And with the 125, which is in the committee report.

I think we can agree to that.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, the agreement that was just discussed by the gentleman from New York [Mr. FLAKE] that will take us into conference in the way that the Committee on Appropriations had designed with 125, with language that would define the way in which it kicks in, is fine with me. If we can work on that deal and get the specific language, as long as we go in with the amount that the gentleman has put in, then I am satisfied.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I think that I have listened throughout this very lengthy debate regarding this issue this evening, and of course, like the gentleman from California [Mr. LEWIS], I have deferred to members of the Subcommittee on Financial Institutions and Consumer Credit because they are the ones who authorize this program, and they have the expertise with reference to it.

The gentleman from California [Mr. LEWIS] and I, without knowledge of some of the things that have been discussed on the floor this evening, fully funded this program in the amount of $125 million, feeling that the program had the kind of merit that deserved that kind of funding, and we, of course, were not privy to many of the details that have been brought to the floor tonight.

What we would urge all the parties here to do is to accept the recommendation of the ranking member of the Subcommittee on General Oversight and Investigations, the gentlewoman from California [Ms. WATERS]. I say that for this reason. The gentleman from California [Mr. LEWIS] and I are the ones who are going to be in conference. He and I have to try to protect the program and also at the same time be able to accomplish what the chairman of the Subcommittee on General Oversight and Investigations wants to see done, and I have no disagreement with what he wants to see done in terms of the kind of an investigation and whatever action it warrants being taken. But we will seriously jeopardize the program if we do not leave the full $125 million in there.

I do not think that we want to in conference jeopardize the program, so I think what we would want to do is to leave the $125 million in and make it contingent upon the proviso that my colleague has made reference to here this evening.

Mr. BACHUS. Mr. Chairman, if the gentleman from California would yield, or conditioned upon.

Mr. STOKES. Or conditioned upon is fine.

Mr. BACHUS. But let me say this, and I want to reiterate this, what we know and what the IG has described happened over there——

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I believe we are right at the edge of a general agreement here, and if I can, I think this side has been discussing this.

Mr. Chairman, I will yield to the gentleman from Alabama [Mr. BACHUS] for an exchange with the gentleman from Ohio [Mr. STOKES].

Mr. BACHUS. Mr. Chairman, I think that a lot of things have already been investigated and decided, and there is some action that could be taken this week. That is my fervent hope, and I hope the Secretary of the Treasury will show some good faith in setting standards.

But I think we have an agreement.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, let us proceed in this fashion:

I will yield to the gentleman from Florida [Mr. FOLEY] to have him outline what they believe may be an agreement between the parties here, and if it seems to make sense, then the gentleman from Ohio [Mr. STOKES] and I will talk about it.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, I yield to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I would be agreeable to discussing an amendment that would include the language: ''$125 million would be appropriated for this program pending a full investigation, an objective evaluation of the program now and in the future, the adoption of uniform standards for awarding grants and using an objective numeric scoring system for allocating those grants, that the conditions and the investigation and all that is described be agreed to and met by October 1 or the funds would hereby be reduced to the $50 million as underlined by my amendment pending.''

So we would have $125 million made available for the program pending those conditions, full investigation, objective evaluation of the program now and in the future, uniform standards for awarding grants and using an objective numeric scoring system.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I do not think the gentleman specified by whom the investigation would be conducted.

Mr. FOLEY. Mr. Chairman, if the gentleman from California will continue to yield, I would assume the oversight committee of the House, the Treasury and the Inspector General's office.

Mr. STOKES. I see.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Let me say this.

I would say to the Treasury Department that they can facilitate this by some prompt action on their part.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. The general points that my colleagues have made are the outline of some kind of agreement that appears acceptable to all of us. My colleague's suggestion about the prompt involvement of Treasury is something I do not know how to frame in this agreement. I hear them, and I do believe that if we adopt or if we accept the general outline, there is a need; Mr. Chairman, Mr. Ranking Member, there is a need for both sides to get together and basically finalize this agreement. The general agreement seems fine. We need to get together, finalize it. If we move forward in that way, I think we have something.

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

Mr. LEWIS of California. I yield to the gentleman from New York.

Mr. FLAKE. Mr. Chairman, I think the only thing I would argue, and I am in total agreement, but it would seem to me that in order for this to work, Mr. Chairman, it is imperative that the chair of the Subcommittee on Oversight and Investigation and the ranking woman on that committee get together and come to an agreement on what the specifics are that they are investigating, and when we come to that agreement, that is what they both will be looking for, which of course implies that they will have to work together to make it happen.

I think we can all agree to this, I think it makes good sense, I think it moves it forward, and I certainly want to thank my colleagues for having the kind of spirit for wanting to work through this because I think it is an important piece for the gentleman from Ohio [Mr. STOKES] and the gentleman from California [Mr. LEWIS] who I think will do their very best to assure that it is funded, and I only argue that it can only be done in a bipartisan fashion as it was from the very beginning.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, could I get the attention of the gentleman from Ohio [Mr. STOKES] for just a moment?

I am thinking that have it might make sense for the gentleman from Ohio and I to agree to ask unanimous consent to set this aside, this matter aside, until 7 o'clock, in which these parties will come back with language and will revisit this item and agree upon the language or not. If we agree upon it by unanimous consent, we can include it in this amendment and eliminate the money problem and move forward. If we cannot by then, then we will just have an up or down vote on the amendment. What does the gentleman think about that?

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The CHAIRMAN. The Chair would suggest that it might be in order for the gentleman from Florida [Mr. FOLEY] to request unanimous consent to withdraw his amendment without setting a time certain for its being reoffered. The Committee could continue with the deliberation on the bill, at which time, when ready, the gentleman from Florida could resubmit an amendment, properly worded in writing.

Mr. LEWIS of California. Mr. Chairman, this gentleman only knows of one other amendment. I would love to have the Members get their work done no later than 7 o'clock. In the meantime, I think the Chair's recommendation is a very good one.

Mr. FOLEY. May I inquire of the Chair, will my amendment as currently being considered be allowed to be made in order and a part of the bill if I withdraw my pending amendment?

The CHAIRMAN. The Committee is at the end of the bill now. The gentleman may still offer an amendment at this portion of the bill, if properly modified, or the same amendment again.

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

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 5 additional minutes.)

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I believe we have an agreement here. I believe if we spend an additional amount of time to take advantage with each other in a written document, we have a good faith agreement to investigate this. I think we have all acknowledged that it is serious, and we have a framework that this appropriation is going to be conditioned upon our investigating, and Treasury making us a full report and making some standards and setting up a good procedure.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, based upon the chairman's statement, is the chairman saying that he would withdraw his amendment at this point? Exactly what is he willing to do?

Mr. BACHUS. I think from a technical standpoint, that is what I will do. I am relying on the good faith of Treasury, and we are going to go forward with this investigation. I would hope that they will simply acknowledge this misconduct, which I think the IG has, and that this program gets cleaned up.

Mr. STOKES. If the gentleman will continue to yield, I would just like to say that I appreciate very much the approach taken by the chairman, and I think both the gentleman from California [Mr. LEWIS] and I, in deference to the fact that the gentleman is willing to withdraw the amendment, will certainly be willing to work with the gentlewoman from California [Ms. WATERS] and the gentleman from Alabama [Mr. BACHUS] and others relative to the type of an agreement that has been discussed openly and, I think in essence, agreed to on the floor.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, the amendment is the amendment of the gentleman from Florida [Mr. FOLEY], and he would have to withdraw his amendment. I believe the gentleman wants to have a clear understanding between both sides that there is a strong expression of concern about procedures that have been involved here. They want to make sure that future applications are carried forward with some objective standards, et cetera, that which we have discussed on the record.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I want to make certain. I will withdraw the amendment. I want to make certain this language is attached to the bill as I read and outlined, that the $125 million appropriation will be conditional upon a full investigation by an appropriate body, objective evaluation of program now and in the future, that the uniform standards for awarding grants using an objective numeric scoring system is included; and the final thing that I did not add before, that anybody found guilty of a violation of law as a result, a violation, would be dealt with appropriate to law.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin, the ranking member of the committee.

Mr. OBEY. Mr. Chairman, let me start by stipulating I know virtually nothing about this program and I have no stake in it. I would like to see the agreement worked out that we have just heard.

I think our concern, I want to make sure that the gentleman from Florida [Mr. FOLEY] has an opportunity to put the concept before the House that has just been agreed to in principle. The concern, as I understand, is that we need time to work out the language between these two gentlemen, because they know the ins and outs of this better than anyone else. I think the gentleman from Florida [Mr. FOLEY] needs the assurance that we are willing to allow that concept to come to the floor, but we need to understand that that is subject to agreement on the exact language. I do not think there will be a program. The reason we need the time is because we are not certain that the language works. That is the point.

Mr. BACHUS. If the gentleman will continue to yield, Mr. Chairman, I would be more comfortable with these two gentlemen working out that agreement, as opposed to oversight.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I yield again to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I want to know I have some assurance. Otherwise I will press my amendment that is pending at the desk, and allow the gentleman to perfect an amendment that will come back to me, in my direction. I preserve my right to have a vote on my amendment.

Mr. STOKES. If the gentleman will continue to yield, Mr. Chairman, I have absolutely no reservations about being willing to work with the gentleman and the gentleman from California [Mr. LEWIS] toward working this agreement out in a satisfactory manner based upon what I think in essence is being agreed upon here between the respective parties on the floor.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has again expired.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to speak for 5 additional minutes.

The CHAIRMAN. Prior to granting the gentleman's unanimous-consent request for an additional 5 minutes, the Chair needs to make certain that it is clear that the gentleman from Florida [Mr. FOLEY], upon obtaining unanimous consent to withdraw his amendment, could offer another proper amendment and the right to offer that amendment would be in order.

However, the Chair must also indicate to the gentleman, without any anticipation that it would occur, that it could be legislating on an appropriation and be subject to a point of order if in fact the point of order was raised and which would not be waived in advance.

The gentleman from California [Mr. LEWIS] has requested an additional 5 minutes.

Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I would say to my colleague, the gentleman from Ohio [Mr. STOKES], I believe we have in essence an agreement between the two sides regarding an outline of that which they would like to have discussed with the administration and reviews that should go forward, et cetera, between now and the time we go to conference. I would suggest that the gentleman and I are willing to make a commitment that we will carry this message forward to the conference, and proceed as expeditiously and effectively as possible.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I would just say, I have just consulted with both the gentlewoman from California [Ms. WATERS] and the gentleman from New York [Mr. FLAKE], and they have no objection to the gentleman and I working this matter out on their behalf.

Mr. LEWIS of California. Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY], just so it is clear, what we are talking about is that the gentleman from Ohio [Mr. STOKES] and I will be the people in the conference who have listened to this debate thoroughly. We understand the parameters of the agreement between both sides. I think everybody wants to see this program operate effectively. The gentleman has outlined the basics of this. I hear no objection.

With that, with those parameters that are on the record, we intend to carry the gentleman's voice to conference, which is the appropriate place for us next to deal with this, and that, of course, is part and parcel of the gentleman's consideration of withdrawing the amendment. I am not interested in prejudicing the gentleman's amendment per se, but I think the questions raised here are important and we are happy to pursue it.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, clearly it is my intent to obviously make certain that the language I have asked for is agreed to. I would trust the chairman would give me the assurances that what we have discussed would become part of the bill as we move forward on the floor.

Mr. STOKES. If the gentleman will yield further, Mr. Chairman, I have no problem with the basic concepts. There are a couple of questions in my mind that if the gentleman wants to have us reduce this to writing would clarify it. For instance, I posed the question a few moments ago relative to who would conduct the investigation. I think that ought to be clear, so we ought to know who is going to conduct the investigation.

We ought to also have a team framework in there so that under the conditions the gentleman has proposed we do not run into October, and the gentleman expects at that time because the investigation has not been completed there is an automatic reduction down to the $50 million point. I think things of that sort ought to be clarified, and I think as honorable men, we can work those things out.

Mr. LEWIS of California. Mr. Chairman, it is my understanding that the gentleman from Florida [Mr. BACHUS], the gentleman who is chairing this subcommittee of oversight, has suggested that Treasury is very satisfactory to him. But I might suggest further, and the gentleman from Wisconsin [Mr. OBEY] has made by way of background here a very excellent suggestion for our purposes; that is, that we could, in the interim, on perhaps a separate track, have our S&I people evaluate this and in a very short time give us the information we need as we go forward to conference.

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

Mr. LEWIS of California. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, one thing I want to make clear is there has been some reference here to criminal acts, or anyone prosecuted criminally. The oversight committee does not do that. This Congress does not investigate people criminally. So I certainly do not want anything in this agreement which says that this body in any way investigates people, that we have any criminal goal, because that is not it. I do not want to mislead anybody into believing that I am undertaking any criminal investigation, or that we are going to wait for that, or that we are going to encourage that. That is something else.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, all I was going to suggest is that it was my understanding right now that the only amendment that is in order offered by the gentleman from Florida [Mr. FOLEY] at this point is an amendment without what would be language on an appropriation bill.

If he withdraws that amendment with the assurance that that same amendment could be offered again, he would, as I understand it, lose nothing. And yet if in the time between now and then, the gentleman and the gentleman from Ohio [Mr. STOKES] can work out the language that I think everybody is in general agreement upon, then that additional language at that point could be added because there would be no controversy about it.

Mr. BACHUS. Mr. Chairman, if the gentleman will continue to yield, I think this bill is going to go out of the House presently, tonight or tomorrow. I think what needs to be done is it needs to be added in conference.

Mr. LEWIS of California. Mr. Chairman, the bill will be going out of the House tonight, I am quite sure. Frankly, I think we are receiving instructions here that can take us to conference. In the meantime, I think we ought to make some formal requests regarding investigations. Mr. Chairman, let us move forward.

The CHAIRMAN. The amendment of the gentleman from Florida [Mr. FOLEY] is still pending before the committee.

Does the gentleman from Florida [Mr. FOLEY] seek time to make a unanimous-consent request?

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

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

Mr. OBEY. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, I ask unanimous consent to temporarily withdraw the amendment pending negotiations. If we do not conclude successfully in the next few moments, Mr. Chairman, the language that I believe we have agreed to, then I would resubmit the amendment.

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

There was no objection.

AMENDMENT OFFERED BY MR. HEFLEY

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

The Clerk read as follows:

Amendment offered by Mr. HEFLEY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 422. The amounts otherwise provided by this Act are revised by reducing the aggregate amount made available for ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MANAGEMENT AND ADMINISTRATION—SALARIES AND EXPENSES'', and increasing the aggregate amount made available for ''INDEPENDENT AGENCIES—ENVIRONMENTAL PROTECTION AGENCY—LEAKING UNDERGROUND STORAGE TANK PROGRAM'', by $31,000,000 and $11,210,700, respectively.

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

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

There was no objection.

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

Mr. HEFLEY. Mr. Chairman, I rise today because I have LUST on my mind. I think the American people are concerned about LUST as well. Of course, when I say LUST, I am talking about the Leaking Underground Storage Tank trust fund, or LUST, as the program is called.

As the gentleman from California knows, the LUST program provides cleanup resources for environmentally hazardous leaking underground storage tanks that have been abandoned, or where the owner cannot afford to clean it up. The money in the trust fund was incurred through a sales tax on motor fuel, and most of it goes directly to the States for cleanup.

Recent estimates calculate there are over 165,000 of these sites across the country.

□ 1845

That does not include the ones that have yet to be discovered. These contaminated sites are located in both urban and rural areas, areas where our groundwater comes from or mainly where our children play.

By increasing the funding level up to the President's request, and I would make a point of that, Mr. Chairman, that I am talking about increasing the funding level in this environmental program to clean up the underground storage tanks to the President's request of $71.2 million, we can continue the progress we have made in cleaning up these sites. And I think every Member of this body would want increased funding for contaminated environmental cleanup back home in their districts.

The money would come from a decrease in the committee request for HUD's management and expenses account. When the House voted overwhelmingly to pass H.R. 2, the Housing Opportunity Act, it was under the guise of a smaller HUD bureaucracy, yet we have increased HUD's M&A account by $31 million in this bill. I realize sometimes there are costs involved with downsizing and devolution, but I think most of us would agree that only in Washington does it cost more to get less.

Finally, Mr. Chairman, this amendment gives us the opportunity to do two things we have promised the American people. First it takes money and power out of Washington by giving it to the States and, second, it provides more money for direct environmental clean up rather than further burdensome regulation.

I urge my colleagues who voted for housing reform and consider themselves to be environmentally conscious to support this Hefley amendment.

POINT OF ORDER

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

The CHAIRMAN. The gentleman will state it.

Mr. STOKES. Mr. Chairman, I make a point of order against the amendment.

I make a point of order against the amendment because it increases an appropriation for an unauthorized program, thereby violating clause 2 of rule XXI. Clause 2 of rule XXI states in pertinent part: ''No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law.''

Mr. Chairman, the authorization for this program has not been signed into law. The amendment, therefore, violates clause 2 of rule XXI.

This particular rule, Mr. Chairman, protected the paragraph in question during the reading of the bill, but that point is past. This situation is identical to that raised on the amendment offered by the gentleman from Minnesota [Mr. VENTO]. Had he been permitted to consider his amendment, I would not now be making a point of order. Since he was not allowed to, I must insist on my point of order.

The CHAIRMAN. Does the gentleman from Colorado [Mr. HEFLEY] wish to be heard on the point of order?

Mr. HEFLEY. Yes, Mr. Chairman.

Mr. Chairman, I would agree that I think it is a shame that we got through that section this morning, and it surprised a lot of us on how quickly we went through that. There were some good amendments that were not able to be considered. So we went to the legislative counsel and had our amendment restructured. We hoped it would be taken care of and would take care of your concern about the point of order.

Also in the bill on page 51, beginning with line 9, it says ''for necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986.'' What this tells me is that this is authorized and, as such, the point of order should not be granted.

The CHAIRMAN. The Chair is prepared to rule.

Under the precedent of July 12, 1995 cited on page 142 of House Practice, as followed and enunciated a few moments ago with respect to the amendment offered by the gentleman from Minnesota [Mr. VENTO], the Chair sustains the point of order under clause 2(a) of rule XXI. The gentleman from Colorado has not cited a current authorization.

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

After this discussion and debate, it is good to rise to enter into a colloquy that concerns an issue of great importance to the veterans in my State but that also honors my predecessor, Sonny Montgomery and I hope this will lead to some work that will complete an effort that he began. That is the Sonny Montgomery VA Medical Center in Jackson, Mississippi.

I would like to ask for the support of the chairman in working with the administration in our efforts to collocate the Jackson, Mississippi Veterans' Affairs Regional Office and the G.V. ''Sonny'' Montgomery Medical Center. With this consolidation of facilities we can provide one-stop service to our veterans and also save taxpayer dollars.

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

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

Mr. LEWIS of California. Mr. Chairman, first I very much appreciate the gentleman bringing this matter to our attention. We are all more than aware of the fantastic contribution his predecessor, Sonny Montgomery, made not just to the entire House but especially to the veterans of America.

I believe that he and I can work together on this matter he has brought to my attention and to ensure better service to our veterans throughout the Southeast, but especially to Mississippi.

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

I would like to add that if we finalize the collocation of these facilities, it will require that we finish the construction of the third floor of the VA Regional Office in Jackson. The VA estimates that it will require approximately $1.45 million to finish the construction of the third floor in this building.

Mr. Chairman, the VA is currently paying $590,221 annually to rent the equivalent office space in this area. It is because they have failed to complete the construction of the third floor. The VA projects the completion and collocation would pay for itself within five years and provide savings over $500,000 in the years following.

By ensuring the completion of this project, we not only fulfill our pledge to our veterans but we will better serve the taxpayers by being good stewards of their money. Mr. Chairman, I believe this project just makes good business sense.

Mr. LEWIS of California. Mr. Chairman, one more time, if the gentleman will continue to yield, we very much appreciate the gentleman's leadership in this area. I certainly will join with the gentleman from Mississippi in working with the administration on this important project.

Mr. PICKERING. Mr. Chairman, I thank the gentleman. It is my understanding that since this project is under $4 million, the administration can move forward on its own. I ask the gentleman to encourage the VA to do so and for his continued oversight and support to complete this project.

Finally, part of this facility, as I mentioned earlier, is named in honor of my most distinguished predecessor, G.V. ''Sonny'' Montgomery. He has been known as ''Mr. Veteran'' throughout his career, and the completion of this work, the completion of this facility will provide for the welfare of the

veterans that he so loved and will also allow us to honor his example and his legacy.

Once again, I thank the distinguished chairman and appreciate his time and support.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted the House to know that my striking the last word was not an indication that I had any additional amendments. To my knowledge there are no more amendments on this measure.

But I did want to take a few moments, while some of our other colleagues are working out some details, to review where we have been during most of today, a short part of yesterday. I must say that in my experience in the Congress, I have never quite experienced before a process like the one I have been through with my colleague the gentleman from Ohio [Mr. STOKES] this year.

As we indicated in both of our opening remarks, we deal with a very complex and very difficult bill. It is an item that has more discretionary spending than any pool of money around the Congress, outside of that money that is available within the Subcommittee on National Security. We are talking about in the neighborhood of $70-plus billion.

We are dealing with major problems and programs that relate to veterans' medical care, as we have discussed extensively. We have all of the housing programs that affect the elderly and the disabled, the poorest of the poor in our country. And we are doing what we can to see that the monies available are handled in a way that they are most responsive to those individual citizens in the communities where they live and where they work.

Beyond that, of course there are some magnificent things that are a part of our committee's work, that are demonstrating the success of America at this moment. Those Americans who have been watching our mission to Mars are one more time not just excited but absolutely overwhelmed with the capability of our leadership and NASA and their work in developing that foundation that allows man's reach into space.

I am fascinated to look further at the science that is coming out of many of those programs. Few people take the time to really focus upon some of the results that take place, but time and time again in our missions to space, within space station, what we have learned by our space shuttle efforts, certainly what we are learning on Mars, we are making phenomenal breakthroughs that affect not just science and technology in an esoteric way, but in a dramatic way impact our ability to affect the health of our people, the improvement of our ability to deliver effective medicine and programs of medical health to our citizens. Truly, within this mix that is this complex bill, some great things are happening.

All of this I frankly believe is possible in no small part because the gentleman from Ohio [Mr. STOKES] and I have been able to move forward, not necessarily agreeing 100 percent on every issue or every dollar available, but recognizing that the final solutions are for the benefit of the American people and we both have that commitment in mind.

So I wanted to close my remarks and comments regarding this bill by expressing one more time my deep appreciation to the gentleman from Ohio [Mr. STOKES], to his entire committee, Members from his side of the aisle on the committee, but also their very fine staff who have been more than responsive to our efforts. It has been a nonpartisan effort on behalf of all of us, and I want the House to know that we all owe a debt to my colleague the gentleman from Ohio [Mr. STOKES].

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

Mr. Chairman, let me take just a moment, as my distinguished chairman has taken, to sort of summarize where we are after having begun this bill some time early afternoon yesterday. I think anyone who has watched these proceedings since we began this bill yesterday will recognize what both the gentleman from California [Mr. LEWIS] and I have said, and that is that this is a tough bill. It is a very difficult bill. I think they also will be able to see why the gentleman from California [Mr. LEWIS] and I felt it so important to work together on a bipartisan basis to bring this bill to the floor and be able to try and get through all the debate on the floor and bring it to a final conclusion.

One of the things that has made our job a little easier is the fact that the gentleman from California [Mr. LEWIS] and I not only have a very personal relationship as colleagues in this body but we are personal friends. It is a relationship that we both enjoy, and the fact that we have utilized that friendship and that respect for one another as colleagues to work together to bring this very important bill to the floor is the culmination of several months of very difficult work to produce the bill. It could not have been done without the cooperation of the gentleman from California [Mr. LEWIS] and the very fine staff that he has on the majority side, and through the cooperation we have received from both the gentleman from California [Mr. LEWIS] and from his staff, we have been able to bring this bill to the floor.

The President has indicated, as we brought this bill to the floor, that he felt this was a good bill and that it was one that he would be able to sign. I think the President hopes that in conference we will be able to improve some of the areas of the bill, and we hope that as a result of the conference we will be able to bring back to the House an even better bill.

In those areas where we, the gentleman from California [Mr. LEWIS] and I have had differences, I think Members can see that those differences have been one of degree and that where we disagree, we have done so without being disagreeable. But this is a good bill, when we talk about a bill that is aimed toward improving the conditions of life of veterans and for persons living in public housing, for persons who are dependent upon our great sciences through NASA and through the National Science Foundation, Consumer Safety Protection, some 22 agencies of the Federal Government that receive their funding through this particular bill.

□ 1900

This is an important bill and one that I hope the whole House will tonight vote upon and give us a good vote to go to conference in.

In conclusion, I would just once again say to my good friend from California [Mr. LEWIS] what a pleasure it is to work with him on these matters.

And I also want to express my own appreciation to the minority staff. They have done an excellent job in helping those of us on the minority side of the committee to be able to perform our functions.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY] to come up here, because we are ready to close this down, and the gentlewoman from California [Ms. WATERS] may want to listen as well.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota if he is going to say some nice things about the gentleman from Ohio.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman's yielding to me, and I was going to say some nice things about the gentleman from Ohio [Mr. STOKES] and about the gentleman from California [Mr. LEWIS] and their work on this.

We have had during the day here some disagreements on some of the housing issues and so forth, but it really is helpful, given the parameters in terms of the housing and the other programs on the environment that we have moved forward on this bill.

Obviously, one of the issues here that is outstanding is the CDFI issue. And I am wondering, because the language is difficult, what the effect would be on the chairman and the ranking member if, for instance, the principals involved here were to come with correspondence to the chairman, given the circumstances.

Because I think what the purpose here of this language is is to try to add guidance to the subcommittee chairman and to the ranking member as to

the conditions for the Community Development Financial Institution issue that has been raised.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, we are lacking an agreement at this moment. The other side has felt, and I probably would tend to concur, that we cannot arrive at sufficient language at this time. So I would be prepared to recall my amendment at the desk, the original amendment, and have an up or down vote on it.

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

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, we have spent so much time going through this that, in other words, to keep the option open on the dollars available. I agree generally with the gentleman that is the impetus of this, but I think there is concern about the crafting of it and putting it into language that would potentially be statute.

If I could keep the attention of the gentleman from Florida [Mr. FOLEY] for a moment. If we could come up with correspondence that would in fact take the sentiment and the impetus of what the gentleman from Florida has put forward and cosponsor or sign that as correspondence to the appropriation leadership in our body, that would, I think, serve the purpose.

I understand it is not the type of victory of getting something into legislation, but it has the impetus and, more importantly, I think is the accomplishment the gentleman from Florida has wanted in terms of gaining the type of understanding and concern from Members like myself and others tonight with regard to that.

Without the dollars we are not really in a position to, in fact, live up to what had been the budget deal that not many of us were involved, but it keeps that alive and would accomplish the goal the gentleman wants. Perhaps not in the same framework, but it would accomplish what he has brought forth tonight.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, I would ask the gentleman from Florida [Mr. FOLEY] if he wishes to respond.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. Mr. Chairman, we started out with something very simple. We were willing to allocate another $50 million for the appropriation for this program. We have significant concerns. We laid out what I thought was very simple language: investigation, enumerating guidelines for the agency. I did not think anything was so complicated that we could not agree and insert it in the bill as language.

I have been told, no, we do not know who is going to investigate, who should investigate, what sanctions may be meted out. We cannot get people to agree. The White House is not in the room so we cannot negotiate for them.

So, quite simply, I am trying to protect what I believe is my right on an amendment to say $50 million is as much as I am willing to go at this time until we clear up these issues. Now, again, if I could get the assurances and we can add this amendment as I drafted and as is in the record.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, my concern is that the gentleman can press his amendment, however, it may or may not pass. Nonetheless, it does not do the job of getting this question to the conference in the way that I think the gentleman wants to get it there.

I believe there is agreement on both sides of the aisle that, if the gentleman will work out a letter together or separately, that between the gentleman from Ohio [Mr. STOKES] and myself we will in good faith take this matter forward to the conference. I think that is a very important step, but I would not lose it lightly.

So I am suggesting to the gentleman that maybe there is a better way in terms of really making the point I am trying to make here instead of pressing the gentleman's vote.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding to me. I appreciate the gentleman's offer to withdraw. We are stuck on whether or not we are going to have specificity in language or whether or not we are all generally agreed and we trust our leaders to do the work.

We really do trust not only our ranking member but we trust the chairman. If it is one thing that I have heard here this evening, it is that two Members, one Republican, one Democrat, one ranking member, one chairman, talk about their relationship, how well they have been able to work together, how well they have been able to resolve differences. We place full trust and confidence in our ranking member and then, across the aisle, this chairman that has demonstrated on more than one occasion not only his willingness to work out problems but certainly his expertise and his leadership in doing it.

So I would ask both sides of the aisle to join with us and place our trust with these two Members to go to conference with general direction to resolve this in the best interests of the people that we all want to serve and the beneficiaries.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I confess I am eager to get this resolved so that the chairman of the committee and I and a few others may retire to another part of the Capitol complex, having not been able to get there today.

The point I want to make is this. I have been persuaded that disciplinary action might well be appropriate. What I worry about is, given constitutional doctrines that apply, if we get too explicit in legislation directing the administration to take either law enforcement or administrative disciplinary action, the potential disciplinee could claim legislative interference.

I think it is very clear many of us will urge that appropriate disciplinary action should be taken. But if we start mandating that in legislation, we start doing the potential victim a favor, because we will start seeing due process arguments about inappropriate intervention.

So that is another reason I think for going at this in the way that would be suggested, I hope, by the chairman.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, the gentleman has made a very important point, and we will take that into consideration as well.

I would be interested in the comments of the gentleman from Florida regarding my suggestion that direction to the conferees is very important by the chairman and myself, and I am not sure the gentleman wants to lose that.

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

Mr. LEWIS of California. I yield to the gentleman from Florida.

Mr. FOLEY. I am compelled, Mr. Chairman, to take the chairman at his word. I believe the chairman is looking out for the best interests of what I am attempting to do.

I have heard from the gentleman from Ohio, who I respect as well, who has given assurances that we will deal with this issue in conference; that we will seek an appropriate investigation; that we will get answers to these questions; that we will devise a scoring system for this agency that will result in the appropriate granting of aid to these well deserved groups.

And given the assurances of both chairmen, and what I believe to be the agreement of the gentlewoman from California [Ms. WATERS] and others who have been party to this long discussion regarding this agency, I would withdraw my amendment; I would agree to the terms specified by the chairman; and I would hope that this effort to move the bill will result in the things that I, the gentleman from Alabama [Mr. BACHUS] and others feel most appropriate.

We do not back down lightly, because I feel there have been significant violations; that we have failed to identify appropriately funds that have gone to agencies without documentation; and I would suggest that Treasury would be very interested in pursuing these charges. I believe they are. I do not believe anybody is trying to stonewall this investigation.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I just want to take a moment to commend the gentleman from Florida [Mr. FOLEY] for the manner in which he has pursued the arguments related to his amendment here this afternoon and throughout the entire debate.

I think it has been evident to all of us that what he is attempting to do is to bring the kind of quality to the program and the kind of credibility to the program that would enable us to have full faith and confidence that the program is being run as it was deemed to be run when Congress enacted it. I think all of us join with him in wanting to see any type of wrongdoing eradicated and this program put once again back on the type of track it should be.

I want to give the gentleman my full assurance that I will work with the gentleman from California [Mr. LEWIS] in every respect to carry out the gentleman's wishes and desires with reference to settlement of this matter in accordance with the gentleman's understanding with the gentlewoman from California, the gentleman from New York and the other members of the Committee on Banking and Financial Services, and I will do everything I can to see that we have settled this matter in a way that the gentleman will be comfortable with.

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman from Ohio and the gentleman from Florida. I appreciate the efforts that he has put forth here, and I want to say to the body in my closing comments that earlier in the day today we found ourselves moving very, very expeditiously through this bill. In fact, everybody was astonished, especially the chairman.

Having said that, we have taken a good deal of time on a matter that all of us now understand to be very, very important to the development and the success of a very important program. Because of that, the time used was extremely valuable, I believe, and I appreciate the cooperation on both sides of the aisle.

It is clear that this too is an issue that does not have a partisan concern but, rather, bipartisan interest on behalf of those people who would be recipients of this program.

The CHAIRMAN. If there are no further amendments, the Clerk will read the final three lines of the bill.

The Clerk read as follows:

This Act may be cited as the ''Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998''.

Mr. REYES. Mr. Chairman, I rise in opposition to the committee report accompanying the VA–HUD appropriation bill because it contains report language that would delay the continued implementation of VERA, the veterans equitable resource allocation system. VERA provides for veterans health care to be allocated according to locations and concentrations of veteran populations. The committee report language does not allow for the allocation system to go forward, and thereby prevents health care dollars from being distributed fairly and evenly.

Essentially, over the last two decades there has been a major shift in veteran populations with more and more veterans settling in the South and West. El Paso, in the 16th District of Texas which I represent, is part of the southwest network, Veteran Integrated Service Network 18 which includes Arizona, New Mexico, and west Texas. El Paso has over 70,000 military retirees alone, and is comprised of up to 56,000 veterans at any one time. Moreover, Texas as a whole, has the second largest veteran population in the country. The El Paso and Texas Veteran populations clearly reflect the substantial shift of veteran populations in this country to the Southwest.

VERA provides the mechanism for the Veterans Health Care Administration to look at these changes in the demographics of veteran populations and determine where resources should be allocated. As veterans move across our country, so should resources to support the health care needs of veterans. Without these additional resources to address greater needs, our facilities are strained, and accessibility and quality of care goes down.

Resources for health care must move as our veterans move. Unless this committee language is removed, vital veteran health care resources will not flow and track this movement in veteran populations. This will result in overcapacity and underuse in some areas, while desperately needed services for veterans like those living in my district will be strained.

This is not a matter of politics or partisanship, but rather a matter of equity and fairness. Veterans where ever they are found, are entitled to the healthcare that our country promised our men and women who sacrificed on behalf of our country. In addition, we must recognize the real and significant shifts in our Nation's populations. Unless resources are distributed to reflect this reality, insufficient resources will be dedicated where needed, and we will fail in our obligation to our Nation's veterans.

As a veteran, and a member of the Veterans' Committee, I urge your support for this change in committee language. Let us do what is right for all veterans, and allow the equitable allocation of these limited resources to take place.

Mr. ROTHMAN. Mr. Chairman, today I rise to express my concerns that the Appropriations Committee failed to grant the President's request for increased funding for Superfund cleanup in the VA/HUD independent agencies appropriations bill. The proposed increase of $650 million was agreed to as part of the balanced budget resolution. It would enable communities across our country to expedite the cleanup of hundreds of hazardous waste sites, which are threatening the health of our residents.

In my district alone, there are 9 Superfund sites and roughly 1,000 known contaminated sites. A suburban area as densely populated as northern New Jersey cannot handle any further delays in cleanup. While we are already doing all we can to live with, and clean up, the contamination in our region, we cannot afford to delay cleanup any longer.

As a result of the committee's failure to appropriate this additional funding, the EPA estimates that 120 cleanups around the country will be delayed indefinitely. The President had proposed initiating cleanup at 200 sites in fiscal year 1998, and to complete the cleanup of 500 sites by the year 2000. Unfortunately, the committee's failure to fully fund the President's budget request will mean that work will begin at only 80 sites next year, even though the other sites are ready to be remediated.

One of the sites on the President's priority list for cleanup is the Industrial Latex Corp. site in Wallington, NJ. This site, which is highly contaminated with PCB's and other hazardous materials, is located in a densely populated residential area in my district. Local children have used the site as an ill-advised playground, and numerous fires have occurred over the years at the site. The first phase of the project, demolishing the buildings and removing buried drums and vats, was competed in November 1995. And the design for the second phase of the cleanup, treatment of the contaminated soil, is also complete.

The contract for final cleanup of this site is ready to go out to bid. However, if we fail to fulfill the budget agreement's requirement to provide additional funds for Superfund cleanup, the residents in Wallington, and in hundreds of other communities across the country, will continue to be threatened.

I strongly urge all of my colleagues to work to include this increased funding when the bill goes to conference committee. It is critical that we help the millions of Americans living near these hazardous sites to improve their quality of life and improve their surrounding environment. These sites need to be cleaned up as quickly as possible to remove the serious health risks facing these residents.

Mr. BEREUTER. Mr. Chairman, this Member rises today to express the reasons for opposition to the amendment that was to be offered by the gentleman from Washington [Mr. NETHERCUTT]—to disregard report language included in the fiscal year 1998 VA–HUD appropriations bill pertaining to the veterans equitable resource allocation [VERA] system.

Because this Member had filed an amendment to block implementation of the VERA system in fiscal year 1998, in this House chamber, negotiations this afternoon involving this Member resulted in an agreement regarding a revision to the subcommittee's VERA report language which I had supported. While the agreement will still require the timely completion of a General Accounting Office [GAO] report to study the impact of VERA on the individual veterans integrated service networks [VISN's], the political reality of a vote count permits the House conferees on this appropriations measure to remove that portion of the committee report language funding all VISN's at fiscal year 1996 levels while the GAO study is being done. It is vitally important that this GAO report be completed in a timely manner in order to give the executive branch and Congress time to react to the GAO report findings before the fiscal year 1999 budget preparation season in order to ensure that all veterans receive the best health care possible.

This Member has publicly expressed his concerns about the negative impact that the new VERA system will have on Nebraska and other sparsely populated areas of the country. In fact, this Member conveyed these concerns to the House VA–HUD Appropriations Subcommittee earlier this year during testimony on the VA–HUD and independent agencies appropriations bill.

Mr. Chairman, the VERA plan would provide medical care funding to regions across the country, by employing an allocation formula that ties funding for each of the 22 geographic regions to the number of veterans they actually serve. Such a new system, under the VERA formula, would eventually result in at least a 4-percent decrease in funds for the region that includes this Member's State of Nebraska, with other reductions perhaps forthcoming in the longer term.

Mr. Chairman, colleagues, here is the important point for my region: The VA must provide adequate facilities for all veterans throughout the country regardless of whether they live in sparsely populated areas with resultant low usage numbers for VA hospitals or in large urban areas. A national infrastructure of facilities and medical personnel is needed to serve our veterans wherever they live. This Member finds the prospect of a decrease in quality and accessibility of medical care for veterans in sparsely populated areas to be completely unacceptable. Veterans in Nebraska and Iowa also deserve to have adequate medical services; they must not be neglected or treated inequitably just because they live in a relatively sparsely settled region.

Mr. Chairman, again, this Member expresses his objections to the Nethercutt amendment as originally proposed and reluctant agreement to the change in the subcommittee report language on VERA, but only out of political realism.

Mr. SMITH of Michigan. Mr. Chairman, I will vote for passage of this bill with reluctance.

Congress should not continue to add more funds to appropriations bills that exceed what the administration suggests is needed. This appropriations bill provides $666 million more than the administration requested in their budget.

The bill provides $25.1 billion for the Department of Housing and Urban Development, $8.8 billion more than fiscal year 1997 and $550 million more than the president requested.

The bill represents no solution to the ''section 8'' funding that will be a huge financial challenge in the next several years.

One other area that could well assist the conference committee to reduce appropriations to last year's levels are the substantial reserves now being held as ''contract reserves'' for section 8 tenant-based contracts. The accounting firm Price Waterhouse has audited the reserve numbers. Their preliminary estimate of the net excess section 8 budget authority minus HUD's proposed uses is $7.2 billion. GAO estimates the ''reserves'' could be much higher. We need better information from HUD. Congress should not continue to accept sloppy management in our Government departments.

Mr. RODRIGUEZ. Mr. Chairman, I rise in opposition to language in the committee report accompanying the VA–HUD appropriation bill that would effectively stop the Veterans Health Care Administration from implementing the Veterans Equitable Resource Allocation System or VERA.

VERA is a budgeting change that would allow VA health care dollars to follow the veteran, wherever the veteran moves within the country. Veterans, like the general population, move, and our limited health care dollars should move with them. Under the old system, VA hospitals in areas of the country to which veterans are migrating must treat more patients with the same level of funding.

Veterans in my congressional district are served by the South Texas Veterans Health Care Network. The network serves one of the highest percentages of service-connected veterans, the highest number of low-income nonservice connected veterans, the largest women veterans population, and a very large group of winter Texans. The old formula of funding health care facilities at historical levels plus medical inflation does not account for all of these veterans.

The old system makes no provision for Winter Texans who seek care at local facilities. These facilities must do the work without appropriate funding, straining the resources available to all veterans.

VERA makes sure that the dollars are available to provide veterans in South Texas and other portions of the country the health care services they need and deserve. All veterans must be treated equally regardless where they live in the country.

It is imperative that the VA be allowed to implement the VERA. We must shift the health care dollars to the facilities that are serving these priority veterans. We must allow the health care dollars to follow the veteran.

Mr. VENTO. Mr. Chairman, for many years prior to enactment 1987, I worked to create new Federal programs to provide assistance to homeless people in shelters and living on our Nation's streets. It is the 10-year anniversary of the enactment of the McKinney Act. I was and am proud of the achievement in 1987, but I am deeply troubled that we are still here in 1997 seeking to alleviate the problems of homelessness with still growing needs.

HUD's McKinney Homeless Assistance Program plays a vital role in enabling communities to develop long-term, effective solutions to homelessness.

During the last 3 years, HUD has initiated an array of new policies to address the critical problem of homelessness in the United States. The main points are a coordinated community-based process of identifying needs and building a system to address those needs, and increased funding to give communities the resources needed to build the comprehensive system. Through their notices of funding availability [NOFA's], HUD has begun the process we are legislatively working on as a block grant—to coordinate the community system. However, without solid funding, as the motion to recommit would help provide—the systems will not be as strong, nor will they be able to serve the actual need.

The problem of renewing funding for past grants, one that presented itself in the current round of funding, has proven to be difficult because of the tremendous need just to keep funding current commitments in our communities.

The motion to recommit would add an additional million— * * *

We continue to see increased demand. In its annual survey, the U.S. Conference of Mayors found that 20 percent of all requests for emergency shelter went unmet because of a lack of resources. Emergency shelter requests increased in the 29-city survey by an average of 5 percent, with the requests for assistance from homeless families increasing by 7 percent. On average, people remain homeless for 6 months in the survey cities. The No. 1 reason, among many reasons to be sure, is the lack of affordable housing. And now, with the impact of welfare reform starting to be felt, it is more than evident that we must marshal the necessary resources to keep American citizens off the streets.

I support this motion to recommit and urge its adoption.

Mr. GUTIERREZ. Mr. Chairman, I want to express my disappointment that the Subcommittee on VA, HUD, and Independent Agencies failed to include funding for the Low Income Housing Preservation and Resident Homeownership Act [LIHPRHA] in its fiscal year 1998 appropriations bill.

Although Chairman Lewis and others have raised concerns about the LIHPRHA program, many of these concerns are based on a draft GAO report which has yet to be released. I do not believe it is wise or fair to eliminate funding based upon a report that has not been reviewed by either advocates or critics of the program. I also believe that before voting to eliminate a program, this House should have the opportunity to adopt reforms that respond to the concerns raised. Certainly, before any significant changes or cutbacks are made to the program, we should consider the benefit LIHPRHA has provided to thousands of low-income Americans.

This program has proven very beneficial to many families in the congressional district I represent. In Chicago, transfers of privately owned HUD-assisted housing from tax driven limited partnerships to resident or community-based ownership provides significant benefits to residents and communities. Northwest Towers Apartments, in my district, is such an example. In 1996, the Northwest Towners Residents' Association purchased their building utilizing a capital grant under the fiscal year 1996 appropriations bill. This property is located adjacent to the Chicago loop in a rapidly appreciating area. The purchase of this property by the resident council has preserved affordable housing for low-income residents in a highly desirable neighborhood. In Illinois, six other properties have been transferred to resident council ownership under LIHPRHA with similar success.

In addition, the resident purchase has contributed to the well-being of the community. For example, the Residents' Association has established a Neighborhood Networks Computer Learning Center. The Learning Center is assisting residents who currently are receiving welfare benefits to make the transition to the workplace.

I believe it is important to point out the contributions made by resident and community-based owners to the social needs of residents and the community. The LIHPRHA program has been instrumental in promoting such opportunities. I will urge my Senate colleagues to support this program and would like to work to ensure the future success of LIHPRHA.

Mr. EVANS. Mr. Chairman, I rise in support of H.R. 2158, the VA–HUD-Independent Agencies Appropriations for fiscal year 1998. Although I am concerned about some provisions in this measure, the Appropriations Committee has generally been supportive of many of VA's programs.

My primary concern relates to the provision in H.R. 2158 which specifies a freeze on appropriated dollars for VA health care. As years pass, inflation will erode the value of this funding. Proponents of this appropriation claim that the new scheme allowing VA medical centers

to keep veterans' copayments and third-party collections will replace appropriated funds. In its report, however, the Appropriations Committee notes that the accuracy of each year's estimated third-party collection is unknown. How, then, can we ensure that resources will be available to provide medical care to those veterans who need it?

Nonetheless, the committee notes that there are now tremendous incentives for VA medical centers to increase their collections and that additional funding for health care services is possible if medical centers reduce the administrative costs of collections. I strongly support this view as well as the Appropriations Committee's direction to VA to develop allocation policies that will increase collection incentives. Additionally, I appreciate the committee's commitment to review the subject of collections and incentives yearly.

The committee report points out that VA will be challenged by the necessity to treat more patients at the same time employment levels decrease. Although the Veterans Health Administration has made tremendous progress in its efforts to transition from an acute-care, hospital-based system to one focused on care in an outpatient setting, the committee appropriately notes that these efforts must continue if veterans are to receive the quality service they have earned.

Also of importance is the committee's expressed concern about the Veterans' Health Administration's Veterans Equitable Resource Allocation [VERA] system. The committee appropriately notes that this system could adversely affect the quality and accessibility of care being provided to veterans in Northeastern States and requests the General Accounting Office [GAO] to, within the next 4 months, study and report on the effects of the VERA implementation. I additionally strongly support the committee's direction to the VA to fund all Veterans Integrated Service Networks [VISN's] at least at the fiscal year 1996 level. Although the VERA system may have a great deal of merit, the potential negative effect of this system on certain veterans demands that the system be implemented only after very careful study.

Integration of VA medical centers is another issue that demands very careful consideration. I have urged VA to pursue consolidation of services at the Lakeside and West Side medical centers in Chicago with caution, and the Appropriations Committee expresses similar concern regarding plans for the integration of the VA medical centers at Tuskegee and Montgomery, AL. I support the committee's direction that VA not proceed with this integration until Congress and GAO have had an opportunity to review a detailed plan of the integration which the VA must submit.

In its report, the committee mentions an innovative proposal underway in Detroit, MI, to establish a VA partnership with a private, not-for-profit, highly integrated health care system which will assist VHA's development of a sophisticated, medical information infrastructure. The development of this system is critical to the reorganization of VHA's health care delivery system, and I commend the committee for its support of this effort.

VA's medical and prosthetic research program has long been one of the most highly respected in the country, and I am pleased that H.R. 2158 provides the funding necessary to continue this important research. VA's achievements in this area have benefited not only America's veterans but all of America's citizens, and VA researchers have more than earned the support included in this appropriation. I particularly want to note the committee's instruction that funding for research into Parkinson's disease be increased. Many excellent opportunities for joint research are available which would enable the VA to expand its research into this debilitating disease which affects so many of our aging citizens.

I want to express my support for the committee's comments urging the VA to continue developing a medical research service minority recruitment initiative in collaboration with minority health professional institutions. This important initiative should be a top priority in the Veterans Health Administration. Additionally, VA should certainly comply with the committee's recommendation that Ph.D. research scientists be exempt from potential reductions in the number of GS 14–15 positions in the research program. The loss of these talented middle managers is adversely affecting VA research and must be stopped.

In addition to health-care initiatives, there are several benefit-related provisions in H.R. 2158 which deserve support. For example, the appropriation includes funding for loans to nonprofit organizations to assist them in leasing housing units exclusively for use as transitional housing for veterans following treatment of substance abuse. The measure also includes additional funds for retention of VA staff to improve the timeliness of processing veterans claims and for higher than anticipated contracting costs of the year 2000 computer problem. Finally, I compliment the committee on its continuing efforts to ensure that VA defers further efforts on the Veterans Services Network [VETSNET] program until the year 2000 computer problem has been solved. Because the effects of a VA failure to make the required year 2000 corrections would have a catastrophic effort on our Nation's veterans, this challenge must be met even if other important modernization projects must be delayed.

I thank the chairman of the full Committee on Appropriations, BOB LIVINGSTON, and the ranking democrat on the committee, DAVID OBEY, for their support for America's veterans. The chairman and ranking democrat of the subcommittee on VA, HUD and Independent Agencies have also earned the sincere thanks of the veteran community. I know you were dealing with a very difficult budget situation, and your hard work on behalf of veterans must be recognized.

Mr. WAXMAN. Mr. Chairman, I ask your support for the Pallone amendment to the VA-HUD-Independent Agencies appropriations bill. The amendment would send $650 million to EPA to expedite the cleanup of toxic waste sites.

Mr. Chairman, just last February, the Government Reform Committee held a hearing on the Superfund Program, the Federal program to clean up toxic waste sites. My Republican colleagues claimed the hearing would show it takes more time to clean up Superfund sites now than it did under previous administrations.

But that's not what we learned during the hearing. We discovered instead that the Superfund Program suffered from neglect and hostility in its early years under a Republican administration. We discovered that the Clinton administration has overcome this legacy of neglect, essentially reinventing the Superfund Program, and—most importantly—cleaning up more Superfund sites in 4 years that were cleaned up in the previous 12. Despite these facts, Republicans still criticize EPA's speed in cleaning up toxic waste sites.

Isn't it ironic that with all that criticism about the speed of Superfund cleanups, we now face an EPA appropriations bill that cuts $650 million from the Superfund budget request. That's $650 million agreed to in the bipartisan budget agreement, $650 million allocated to EPA's Appropriations Subcommittee to expedite Superfund cleanups, and $650 million that will be spent instead on special interest projects.

EPA would have started cleaning up 200 Superfund sites next year with that $650 million. Under this bill that number will be cut by more than half. Southern California alone would have seen EPA cleaning up toxic waste sites in Riverside, San Bernardino, Fullerton, Baldwin Park, Monterey Park, and Santa Fe Springs. Instead, this bill will force EPA to play Russian Roulette, picking some sites for clean up and letting the rest wait another year.

Mr. Chairman, 68 million Americans live within 4 miles of a toxic waste site. For the sake of those 68 million Americans, I ask your support for the Pallone amendment.

Mr. BISHOP. Mr. Chairman, I rise today in support of the fiscal year 1998 VA–HUD and Independent Agencies Appropriations Act. I want to commend the committee for working in a bipartisan fashion to craft a good bill with many beneficial attributes. As a member of the Veterans Affairs Committee and an ardent supporter of veterans, I want to speak to this section of the bill. I am pleased that the overall bill provides for an increase in funding for veterans programs. Specifically, the bill appropriates $40.359,576 billion for the Department of Veterans Affairs. This is $273 million more than the fiscal year 1997 level and over $143 million over the fiscal year 1998 budget request.

Over 26 million veterans and their families receive benefits from the Department of Veterans Affairs. This increase in appropriations will assist them in their efforts to improve their lives. When our veterans answered the call in faithful service, the Nation promised to write them a check for certain lifetime benefits. It is the solemn duty of Congress to make sure this check does not come back marked ''insufficient funds.''

In tough budgetary times, I want to commend the committee for its efforts to provide our veterans with necessary benefits to sustain a better quality of life. I share the fervor of Congress in balancing the budget, but not one that fails to adequately provide for our veterans. We cannot attack the services we owe to our veterans. They made the supreme sacrifice for our Nation, and we should repay them and their families in kind with adequate benefits, services, and a due continuum of care.

I am pleased the bill provides $19,932,997,000 for the veterans benefits. This represents a $333 million increase over fiscal year 1997 for the Veterans Benefits Administration. This will provide our veterans with much needed compensation and pension benefits, education and training benefits, and critical housing assistance.

While I applaud the efforts to provide increased funding levels for the Veteran's Benefits Administration, I have some concerns

about the level of funding proposed for the Veterans Health Administration. I believe it represents a serious shortfall for veterans health care. This is one of the most important benefits our veterans receive. It is incumbent upon us to ensure that the veterans medical care delivery system is adequately funded to meet the health care needs of our veterans. I know that the budget includes a proposal to permit the VA to retain third party insurance payments and user fee collections. These funds, estimated to be $604 million by the budget agreement, would be used to account for the shortfall in the budget for veterans medical care. I am a strong proponent of this concept and it is my hope that the Congress will enact legislation enabling the VA to do this. However, if this does not occur, a mechanism must be in place to ensure that we do not experience a shortfall in the medical care delivery system for our veterans. I plan to support the Solomon amendment which would incorporate a ''fail-safe'' mechanism to protect much needed funding for veterans medical care.

We must remain aware of our responsibility to maintain a system that best meets the changing needs of today's veterans. We are dealing with payment for services rendered. Like any contract the government makes, we must do all within our power to live up to. Dollars may be scarce, but we must make this our priority. With this in mind, it is my hope that we can continue to cooperate in bipartisanship to serve those who have so diligently served us. Members of Congress have always been strong supporters of veteran—not only in word but in deed. Let us continue in that vein today.

I urge my colleagues to support this bill.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. COMBEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2158), making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for other purposes, pursuant to House Resolution 184, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KENNEDY of Massachusetts. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KENNEDY of Massachusetts moves to recommit the bill H.R. 2158 to the Committee on Appropriations with instructions to report the same back to the House forthwith the following amendments:

On page 24, line 22, strike ''$4,600,000,000'' and insert ''$4,700,000,000''.

On page 25, line 19, strike ''$50,000,000'' and insert ''$70,000,000''.

On page 27, line 6, strike ''$50,000,000'' and insert ''$75,000,000''.

On page 27, line 8, strike ''$30,000,000'' and insert ''$40,000,000''.

On page 30, line 12, strike ''$823,000,000'' and insert ''$883,000,000''.

Mr. KENNEDY of Massachusetts (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

□ 1915

Mr. KENNEDY of Massachusetts. Mr. Speaker, this bill I think deserves credit to both the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] and members of the committee and committee staff for the efforts that they have made to come up with a kind of bipartisan spirit here.

On the other hand, I do believe that there is a significant issue that deals with the low level of funding in this bill across the board. The truth of the matter is, we heard a lot of speeches over the course of the last 24 hours as the VA–HUD bill came up. Those speeches pertained, in large measure, to the underfunding of a lot of veterans' programs.

The fact of the matter is, after all of these bills have been passed, after all of the amendments have been contained, there is still $450 million worth of underfunding in veterans' programs.

In terms of the motion to recommit and its specifics that we have called for, we have asked that $100 million be spent on the HUD Community Development Block Grant program as an indication of the kind of underfunding that exists in that agency.

I serve as the ranking Democrat on the Subcommittee on Housing and Community Opportunity, and I can tell my colleagues that we are not funding the housing needs of the people of this country in any way, shape, or form in comparison to what the need is. Specifically with regard to homeless programs, over the course of the last 3 years we have seen homeless programs cut by over $260 million; $260 million.

I challenge any Member of the Congress, any Member of the House to go to his home district and go visit a homeless shelter. Homeless shelters in the middle of the summertime are generally empty. This is the first time in the last 20 years where, in almost every congressional district across the country, you go into homeless shelters today and you are going to find them chock-a-block full of homeless people, homeless families. We have simply not provided the kind of funding that is necessary to provide for those homeless families.

We say that we want a balanced budget. I want a balanced budget, But I do not want to balance the budget on the backs of the poorest and most vulnerable citizens of this country; and that is, essentially, what this bill does.

We have seen a recognition that we want to, as a Nation, and I see the Speaker talk about the fact that he wants to rebuild Washington, DC. If my colleagues talk to the mayors of cities and towns across our country, the No. 1 issue that they will claim that they face in terms of economic development and the creation of jobs is brownfields. We see the need for not only allowing brownfields to be cleaned up, but allowing for economic development of brownfield sites across America.

This motion to recommit contains within it a $25 million initiative funded through the EDI at HUD to allow for economic development of those brownfield sites. Talk to your mayors, talk to your city councils, talk to the people at the ground level that are responsible for building up those cities in the blighted urban areas of our country, areas that have been contaminated by corporations that have for years and years put so much poison on our city streets and on the fields of our cities.

The fact of the matter is that, for the first time, not only are we going to see those sites cleaned up but we have the opportunity to allow those cities and towns to come back. Those are the initiatives that are contained.

In addition, we are providing funding to allow for senior citizens to gain more independence within their housing programs. The largest single growing population of America is, in fact, our elders. And all too often, they are restricted in terms of their movements, in terms of their independence, because of their housing situations.

This amendment would allow for a small initiative to enable supportive services for senior citizens, to enable them to go out and live more independently. So if my colleagues want to stand up for the rights of senior citizens, if they want to stand up for the rights of our mayors and our city councils across this country to clean up brownfield sites, if they want to stand up and say that we do not believe that we ought to abandon our homeless, this bill currently, in its form, as a result of the amendment process, is coming in $200 million below the 602(b) allocation.

All we are trying to suggest is that my colleagues can still stand up and say to the people of their districts that they are fighting for a balanced budget.

The amendments that we have in the motion to recommit only take up $160 billion. The $200 billion that is left over in the bill will still come in under budget, but it will not come in by virtue of turning our back on the poorest of the poor in terms of our homeless. It will not come in by turning our back on the brownfield sites of this country that I think offer us an opportunity to really go out and rebuild America's urban areas.

That ought to be the policies of this country. It ought to be the policies of this House. I urge the Members to support the motion to recommit.

Mr. LEWIS of California. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from California is recognized for 5 minutes.

Mr. LEWIS of California. Mr. Speaker, I do not intend to speak extensively on this matter. We have spent much of the day and yesterday talking about the very difficult bill we face, the reality that there is many a trade-off between complex programs. That does not suggest that in every instance a bill changes on the floor, that we ought to spend every single dime of somebody's perceived remainder 602(b).

I am not really surprised that the gentleman from Massachusetts [Mr. KENNEDY], my dear friend, would like to spend all of our 602(b). It may be that from time to time we come together on even balancing the budget. But in the meantime, without any further ado, I would ask my colleagues to oppose the motion to recommit.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

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

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

The Sergeant at Arms will notify absent Members.

The question of passage of the bill is an automatic vote and will be 5 minutes.

The vote was taken by electronic device, and there were—yeas 193, nays 235, not voting 6, as follows:

[Roll No. 279]

YEAS—193

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

NAYS—235

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Markey
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Souder
Spence
Stearns
Stokes
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NOT VOTING—6

Ehlers
Matsui
Schiff
Solomon
Weygand
Young (AK)

□ 1941

Messrs. GOODLATTE, THUNE and LAZIO of New York, Mrs. CHENOWETH and Mrs. KELLY changed their vote from ''yea'' to ''nay.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. EHLERS. Mr. Speaker, on rollcall No. 279, because I was detained in unexpectedly heavy traffic, I missed the vote. Had I been present, I would have voted ''nay.''

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 397, nays 31, not voting 6, as follows:

[Roll No. 280]

YEAS—397

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss

Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryun
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wise
Wolf
Wynn
Yates
Young (FL)

NAYS—31

Barr
Campbell
Cox
Crane
Doggett
Duncan
Filner
Hefley
Hoekstra
Hostettler
Istook
Johnson, Sam
Kennedy (MA)
Kennedy (RI)
Kingston
Klug
Largent
Markey
McIntosh
Miller (FL)
Minge
Paul
Petri
Roemer
Rohrabacher
Royce
Salmon
Sanford
Scarborough
Sensenbrenner
Thornberry

NOT VOTING—6

Murtha
Schiff
Solomon
Weygand
Woolsey
Young (AK)

□ 1951

Mr. RAMSTAD changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent first for the House to express its appreciation for the fabulous work done today by our Chairman of the Committee of the Whole House, the gentleman from Texas (Mr. COMBEST).

Then, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2158, the bill just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1984

Mr. EHLERS. Mr. Speaker, I just learned that my name was mistakenly entered as a cosponsor of H.R. 1984, and I ask unanimous consent that my name be removed as cosponsor.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1853, CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS OF 1997

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–187) on the resolution (H. Res. 187) providing for consideration of the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act, which was referred to the House Calendar and ordered to be printed.

REPORT ON H.R. 2169, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. WOLF, from the Committee on Appropriations, submitted a privileged report (Rept. No. 105–188) on the bill (H.R. 2169) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER. Pursuant to clause 8 of rule XXI, all points of order are reserved on the bill.

LEGISLATIVE PROGRAM

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

Mr. SKEEN. Mr. Speaker, I want to announce that there will be no further votes tonight. We will do general debate only tonight, and I expect to be back on this bill tomorrow. I will shortly be asking unanimous consent to stack votes beginning tomorrow so that we will have the hope of finishing this bill before we leave tomorrow evening, and I repeat, we are only going to do general debate; no more votes, no amendments will be considered tonight.

REQUEST TO POSTPONE RECORDED VOTES DURING CONSIDERATION OF H.R. 2160, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that during the consideration of H.R. 2160, that on Thursday, July 17, or any day thereafter, the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and that the Chairman of the Committee of the Whole may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New Mexico?

Mr. OBEY. Mr. Speaker, reserving the right to object, I understand the gentleman from New Mexico is making

a unanimous consent request to roll votes tomorrow.

Let me simply say that at this point I am not at liberty to accede to that request. I would urge the gentleman from New Mexico [Mr. SKEEN] to withdraw the request, and perhaps we will be in a position tomorrow when we convene to accede to that request. Right now I have a number of problems on my side of the aisle that will prevent us from agreeing to it at this time.

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

Mr. OBEY. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Speaker, I appreciate that, and I am in total sympathy with it, but I think at least we can do the colloquies tonight and get those out of the way so that we can get to the substance matter. If the gentleman from Wisconsin would agree to that, I will appreciate it.

Mr. OBEY. Mr. Speaker, I do not understand what the gentleman is suggesting there.

Mr. SKEEN. If the gentleman would continue to yield, Mr. Speaker, we will withdraw that unanimous-consent request, and do general debate, and end it there then.

Mr. OBEY. Mr. Speaker, perhaps we will be able to agree to the request tomorrow.

□ 2000

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. SKEEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes; and pending that, I ask unanimous consent that the general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentlewoman from Ohio [Ms. KAPTUR] and myself.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico.

The motion was agreed to.

□ 2000

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2160), with Mr. LINDER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from New Mexico [Mr. SKEEN] and the gentlewoman from Ohio [Ms. KAPTUR] each will control 30 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. SKEEN].

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

Mr. Chairman, I rise to offer the fiscal year 1998 appropriations bill for Agriculture, Rural Development, Food and Drug Administration, and related agencies. The bill totals $13,651,000,000 in discretionary spending and $39,796,855,000 in mandatory spending for a total of $49,447,051,000. This bill meets both the discretionary allocation of $13,650,196,000 and its outlay allocation of $13,967,000,000.

Mr. Chairman, this bill is the result of 13 days of hearings from mid-February through mid-March. The subcommittee took testimony from 252 witnesses, including 20 Members of Congress. We marked it up in subcommittee on June 25 and in full committee on July 9.

While our allocation was larger than last year, this bill spends about $424 million less than the administration requested. There are only a few significant increases in the bill: WIC, rural water and housing, FDA, and meat and poultry inspection. Most of the programs are reduced or frozen at the 1997 level.

This is a good bill and a responsible bill. I want to remind all my colleagues that this legislation pays for critical programs that benefit us and every one of our constituents every day of their lives, no matter what part of this great country they live in. At the same time, it spends carefully and fulfills our obligation to move towards a balanced budget.

Mr. Chairman I want to express my appreciation to the committee members and the staff, and particularly to the gentlewoman who is the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], who has been a great help to me. We have a great team going, I think, on this particular bill.

We have our differences once in a while, but they are mild compared to some we have heard in the earlier testimony before from this chair. So I want to thank all those folks who make this thing a reality, and for the hard work they do and the tremendous amount of time they put in.

Mr. Chairman, this bill represents a lot of hard work and contribution by both the Democratic and Republican Members. I believe it deserves strong support from both sides of the aisle. I have not asked for a rule on this bill because I want my colleagues to have a chance to discuss and debate any issues which they believe are important.

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

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

Mr. Chairman, I rise this evening to commend our chair, the gentleman from New Mexico [Mr. SKEEN], an outstanding Member of this House to work with; all of the members of our subcommittee and the committee staff, for their wonderful leadership in putting together a solid bill. It will help keep our Nation at the leading edge for food, fiber, fuel, and forest production, as well as research, trade, and food and drug safety.

There is no question that agriculture is America's lead industry. Our farmers and our agricultural industries remain the most productive in the world, and they well understand, as we do, how difficult it is to maintain our Nation's commitment to excellence in agriculture in tight budgetary times.

Our bill appropriates $3.7 billion or 7 percent less than last year's budget, and $2.8 billion less or 5 percent less than the amount requested by the administration. Over two-thirds of the bill's spending is dedicated to mandatory programs, largely nutrition programs like the school breakfast and lunch programs and the Food Stamp Program, which comprise nearly 70 percent of the funding in this bill.

The committee provided $35.8 billion in mandatory programs, which is a decrease of $4.3 billion below the amount available for fiscal year 1997, and $2.4 billion below the budget request.

The bill includes a total of $13.65 billion for discretionary programs, which is $599 million more than the amount appropriated in the last fiscal year, and $424 million less than the budget request.

Mr. Chairman, those who serve farmers and work with agriculture are taught over and over again that there is a big difference between money and wealth. Our job on this Committee on Agriculture is to help create the wealth of America through the investments that we make in food, fiber, fuel, and forestry, all essential components of production agriculture.

Market-oriented farm policy means farming for the market, not the Government, and requires investments in research, some of it high risk, in conservation, in sustainability, in education and technology transfer, which will keep agriculture competitive as we move into the new century.

Overall, the bill represents a fair, bipartisan approach. The committee did face tough choices, given our spending constraints. There are no funds in this bill for any Member for university facilities. Our committee turned down over a dozen requests for university research facilities. Further, we were only able to fund $50 million of over $200 million in requests for agricultural research.

I am not proud of the fact that we can only provide $50 million. That is only a quarter of what we were asked to provide, but that is the reality in today's world. Facing tight budget constraints, we did our best to shift research needs to priority areas. But in every case where a priority program received additional funding, some other budget function had to be cut.

Farm ownership and operating loans sustained a major cut in this bill, and were reduced $229 million below FY 1997 levels. This will have an impact. APHIS, the Animal Plant Health Inspection Service budget, was reduced by approximately 4 percent, at a time when we are experiencing increasing problems with inspection at our ports of entry.

The Natural Resources Conservation Service conservation operations programs, the primary source of technical assistance to producers and landowners, was cut by $10 million over last year's level, and more than $112 million below the President's budget request.

With the increasing public concern about food safety, I am pleased with the increase we were able to include for the food safety initiative under both the USDA and the Food and Drug Administration, as well as the Youth Tobacco Prevention initiative proposed under the FDA.

It is also noteworthy that this bill includes, after great compromise on the committee and struggle, an $118 million increase for the women, infants, and children feeding program, which will allow the program to maintain its current participation level of 7.4 million participants.

This bill also includes an $800,000 increase to upgrade investigative activities of the Grain Inspectors' Inspection Packers and Stockyards Administration regarding concentration in those industries. This increase is critical for monitoring and analyzing anticompetitive practices in the meatpacking industry, where now three huge firms control 80 percent of the meat that consumers in this country purchase.

Mr. Chairman, I continue to have serious reservations about some amendments which were adopted in full committee, and hope that these issues can be resolved during this floor debate. For example, our subcommittee, after considerable debate, provided $152 million for sales commissions to private crop insurance agents, as requested by the administration. However, at the full committee level, the chairman's en bloc amendment included a further increase of $36 million. There are many other programs that are of higher priority in this bill than underwriting private insurance agents, particularly in light of the April GAO report on abuses discovered in the crop insurance program.

In its report, GAO stated that expenses reimbursed with taxpayer funds appeared excessive, and I underline ''excessive,'' or did not appear to be reasonably associated with the sales and service of Federal crop insurance. These include, and I quote from the report, agent's commissions that exceeded the industry average, unnecessary travel-related expenses, questionable entertainment activities like skyboxes, expenses associated with acquiring competitors' businesses, profit-sharing bonuses, and lobbying.

GAO suggested that future reimbursement rates could be reduced. Consequently, the U.S. Department of Agriculture indicated to our committee that $152 million would be sufficient funding for this program for fiscal year 1998, and that these funds would provide assurance that valuable crop insurance products would be delivered by private crop insurance companies and their agents.

I strongly support the crop insurance program as a continuing safety net for our Nation's producers, but certainly a 24.5 percent level of commission, 24.5 percent, should be sufficient to encourage private companies to provide this service. Some might say it may even be too generous. Providing an additional $36 million increase to raise those commissions from 24.5 percent to about 27 percent of the value of the insurance policy is simply not the highest priority use of this subcommittee's limited funding.

I also remain concerned about some of the reductions proposed for salary accounts in the Department of Agriculture, particularly reductions in the Farm Service Agency, and the potential for disruption of the delivery of programs and services to farmers at the local level.

I strongly oppose the amendment adopted in full committee that would eliminate the salaries for the deputy and assistant deputy administrator of the Farm Services Agency. While we realize that the farmers and landowners in one State, Washington State, are very disappointed with the results of the 15th consecutive conservation reserve program sign-up, we strongly oppose this punitive and misguided attempt to effect a change through micromanagement of a Federal agency.

There remains in this bill, language adopted in full committee which seems to give special preference and consideration to one university building under the CSREES buildings and facilities account. With limited Federal funding available for priority programs, this subcommittee agreed in fiscal year 1997 that it would end the practice of building academic research facilities for universities.

While we followed this approach in subcommittee markup and provided no funding in this account, the language adopted in the full committee markup subverts an established process and I think compromises us at the conference committee level. It appears to give preference to one university while disallowing other priority proposals from consideration.

The full committee also adopted an amendment that authorizes on this appropriations bill by changing the designation of a community in California from a rural to an urban community. I have extremely strong reservations about the intent of this language, since no hearings were held on the subject. I underline, no hearings were held on the subject. It sets a very bad precedent, including unintended consequences that we may not fully appreciate. This language should be stripped from the bill.

Traditional farm programs continue to receive a decreasing portion of Federal support, and in my view, we should target our scarce agricultural dollars to smaller family farmers to assure competition in our industry now dominated by megagiants. I opposed last year's farm bill because I do not believe that it did enough to insure against undue risk to family farmers and to provide them with a safety net when times turn bad. While the farm bill made progress by enacting a $40,000 payment limitation, I remain concerned that large corporate farmers can still have undue call on Federal payments.

In recent decades, America has slowly eroded the historic basis of American agriculture, the family farmer, and is moving in the direction of giant corporate farms. We must address the increased concentration in agricultural markets that is squeezing family farmers out of business.

In the final analysis, a concentrated production system risks price manipulation and lack of competition. Commodity prices must be maintained at a level high enough to compensate for the costs of production, and to maintain standards of living in order to attract and retain farmers and farm production.

On the international front, we must also negotiate reciprocal trade agreements which encourage and enhance the ability of our farmers to compete in world markets.

□ 2015

On agricultural trade, we must work harder to recapture lost markets and increase exports. As American agricultural exports grow, foreign agricultural imports to our country are being shipped in greater magnitude.

Since 1981, our agricultural exports have exhibited a rather roller coaster ride, first declining from $43.8 billion to a low of $26 billion in 1986, and then rising to a record high of $60 billion in 1996, but at the same time agricultural imports have increased from $10.8 billion to approximately $30 billion in 1996, now equaling half of our exports.

In many cases, these products our own farmers could be producing and marketing.

In closing, I want to express my appreciation to the gentleman from New Mexico [Mr. SKEEN] for putting together the best bill we could under current fiscal circumstances. Let me remind our colleagues in closing that the agriculture portion of Federal spending has taken more than its share of budget cuts in these past several years. Overall spending on programs in our committee's jurisdiction has declined from $70.8 billion in fiscal year 1994 to $49.45 billion in fiscal year 1998 projected.

Employment at USDA has declined by approximately 13,000 since 1993. County-based office staffing has been reduced by 13.7 percent since fiscal year 1993 and will be reduced further for a total cut of 40 percent by fiscal year 2002. I think our subcommittee has met the challenge to reduce Federal spending. I am not quite sure how much more we can do.

Mr. Chairman, I again thank the gentleman from New Mexico for his cooperation.

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

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

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

Mr. Chairman, I rise for the purpose of entering into a colloquy with the distinguished subcommittee chairman, the gentleman from New Mexico [Mr. SKEEN]. I am disappointed that the committee did not include funding for the Melaleuca Research and Quarantine Facility close to Fort Lauderdale, FL. The committee chose not to include funding although this project was authorized by Congress last year and specifically requested by the administration. Moreover, in previous years the committee has funded this project.

Mr. Chairman, this project is critical to the survival, the very survival of the Everglades. Therefore, I hope that you will work with me during the conference committee if the Senate chooses to fund this project.

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

Mr. SHAW. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I want to tell the gentleman from Florida [Mr. SHAW] that I will certainly work with the gentleman from Florida during the conference on this bill. I regret that the subcommittee could not include funding for this project. It suffers from the fate of many worthwhile projects, as was mentioned by the ranking member. There is just not enough money to go around. However, I am sure that this project will be fully funded in time because of its great importance to the Everglades.

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

Ms. KAPTUR. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], our distinguished ranking member.

Mr. OBEY. Mr. Chairman, I thank the gentlewoman for yielding me the time.

First, I would like to simply say that I think that there are no two Members of the House who are more popular than the gentlewoman from Ohio and the subcommittee chairman, the gentleman from New Mexico [Mr. SKEEN]. I think everyone understands in these two individuals they have Members who want to work things out, they have Members who want to produce a bipartisan approach and who try to the best of their ability to accommodate the needs of this institution, the country and our individual Members.

I want to say that I expected to support this bill with a fair amount of enthusiasm in the early stages of consideration. But, unfortunately, in the full committee a number of amendments were adopted which will make that very difficult.

First of all, the gentlewoman has already mentioned the Crop Insurance Commission issue which was raised in full committee. The amount of funding put in the bill for that purpose now greatly exceeds that requested by the administration. I do not believe that that can be justified with so many other competing needs. I am for crop insurance, most definitely, but I am not for providing persons who sell it with a greater commission than they need in order to persuade people to buy what they ought to buy without any persuasion.

I would also say that the development in full committee which eliminated the assistant deputy administrator of FSA I find to be an unseemly personalization of differences between individual Members of the Congress and the agency, and I believe that just as it did when similar action was taken by previous chairs of this subcommittee, I think that in this instance it also brings disrepute on the Congress as an institution for acting in a manner that is that extreme. I think that that will have to be removed before it is accepted by the administration.

There are some other items as well. I would simply also take note that I do not know what exactly the number is, but I know the gentlewoman from Ohio [Ms. KAPTUR] is one of the very few women who have either served as Chair or ranking minority member of an appropriations subcommittee. There have been, as I understand it, two women who served as subcommittee Chairs and three who have served as ranking members. I want to congratulate the gentlewoman from Ohio [Ms. KAPTUR] for ascending to that position.

Again, I express my appreciation for the way that the gentleman from New Mexico [Mr. SKEEN] tries to conduct affairs in this place.

I would also simply say that in general, at the proper time, I will be trying to insert in the RECORD a very interesting article from a newspaper in my home town called City Pages, which really traces the depths of despair which has developed on the part of many farmers in rural America because of the economic crunch that has beset them really for the past 20 years. In my view this bill cannot begin to address the damage that has been done to the social fabric of rural America and to the economic welfare of hard-working, struggling family farmers by what I consider to be inadequate and misguided farm policy over the past years, which unfortunately continues today.

I will be inserting that article in the RECORD despite its length because I think it is important, when people are looking at reasons for the tuning out of large segments of our population, when they are looking for reasons why so many people join these misguided militia groups around the country, I think it is important to understand that when people are economically pressed to the wall, that their reaction is sometimes irrational.

I would urge all Members, whether they are from urban or rural districts, to read it because it ought to teach us all a lesson.

Mr. SKEEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, I thank the gentleman for yielding me the time. I rise to enter into a colloquy with the chairman.

Mr. Chairman, there is a proposed move by the USDA of an experiment station in Griffin, GA to another location. This station has been in place since 1949. Over the last few years, in fact the last 7 years, we have spent some $2.5 million in improvements, in new plant facilities there. The proposed site is nowhere near comparable to the existing site.

I am concerned, too, about the number of employees who would be affected by this move because these employees have been paid through another system, a university system, and would be ineligible for funds for moving to a new location.

I have inquired with USDA and have not received any response from my inquiry. My inquiry to the gentleman is for him to seek out why this move is being made, if it is logical, if it is sound fiscal policy and, if not, let us move in some way to restrict this move.

Mr. SKEEN. Will the gentleman yield?

Mr. COLLINS. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, yes, we will go hand-in-hand with the gentleman and see what the problem is and get some answers for the gentleman. That I pledge to the gentleman.

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

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

Mr. NETHERCUTT. Mr. Chairman, I would like to engage the gentleman in a colloquy. I intend to clarify in this colloquy the intention of the subcommittee in its report language for this bill that, quote, ''The Committee believes that the funding provided to the Foreign Agricultural Service will enable the Foreign Market Development/Cooperator program to operate at the same level as fiscal year 1997.''

Is it the gentleman's understanding, Mr. Chairman, that the Foreign Agricultural Service is approving $32 million for approved foreign market development/cooperator program marketing plans in fiscal year 1998?

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

Mr. NETHERCUTT. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would tell the gentleman that the department intends to operate the FMD/cooperator program at a level of $32 million which includes new money and carryover funds. The bill provides sufficient funding for this. This is the meaning of the report language.

We have not earmarked this level because it is nearly a quarter of the budget of the Foreign Agricultural Service and USDA needs the flexibility, to change the FMD/cooperator budget to meet other needs which may arise during the fiscal year. On the other hand, the FMD/cooperator budget could go above the $32 billion level if USDA decides that is the best course.

Mr. NETHERCUTT. Mr. Chairman, I thank the gentleman very much.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WALSH].

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

Mr. WALSH. Mr. Chairman, I rise in strong support of H.R. 2160 and its accompanying report that provides funding for Agriculture, Rural Development, Food and Drug Administration and related agencies for fiscal year 1998. I want to commend the gentleman from New Mexico [Mr. SKEEN], the subcommittee chairman, and the gentlewoman from Ohio [Ms. KAPTUR], the ranking member, for their leadership and fine work in crafting this difficult bill. I would also like to thank the subcommittee staff for their diligence and the long hours they spent putting the bill together.

The bill provides $49 billion for agricultural appropriations. This represents a reduction of $3.7 billion from last year's level. While discretionary spending in our bill has increased as a result of changes made to the food stamp and related nutrition programs, our subcommittee has had to make some very difficult choices as only a few of the programs in this bill are receiving increases over last year's level. The President's tobacco and food safety initiatives were largely funded in this bill, and the subcommittee has also provided $188 million for Federal crop insurance.

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We have funded the wetlands reserve program that will be increased by $45 million. We have also increased funding for the EQUIP Program. These are environmental measures within the U.S. Department of Agriculture budget that are very important to our conservation of soil. We have also provided $7.8 billion for child nutrition programs, such as school lunch and school breakfast and $25 billion for food stamps.

These are substantial commitments. Often the agriculture budget is considered an agricultural subsidy bill, but in fact it is not, it is the bill that provides the food and sustenance for most of our Nation's poor.

I thank our leadership for supporting these programs, for providing money for nutrition, and I would urge a strong bipartisan support for this bill.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. LAHOOD].

Mr. LAHOOD. Mr. Chairman, I wonder if I might enter into a colloquy about a particular research program.

As a part of the President's budget there was a proposal to stop many ongoing agricultural research projects. Many of these are very good research projects and have had long-term agricultural benefit. I appreciate very much the chairman and the ranking minority member in helping continue some of these projects.

There is one project I do want to ask about specifically. This project is known as the ''Genetic Engineering of Anaerobic Bacteria for Improved Rumen Function,'' research effort conducted at the Ag research lab in Peoria, IL. This project was not mentioned in the committee report, and I would ask the Chairman if he would assist me in ensuring that this project be included as a worthwhile project when the bill comes out of the committee on conference.

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

Mr. LAHOOD. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would be pleased to respond to the gentleman that he has my assurances that we will look after this project. The gentleman from Illinois has always worked with the committee and he asked to keep this project earlier in the year. It was just an oversight that it was not mentioned in the report, and we will do what we can to make sure ARS keeps this project alive.

Ms. KAPTUR. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO], an esteemed member of our subcommittee and full committee.

Ms. DELAURO. Mr. Chairman, I would like to thank the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], for yielding me this time and for her hard and diligent work on the bill.

I also want to commend the gentleman from New Mexico [Mr. SKEEN] for listening to Members and for working hard to craft a good bill and for his work in bringing the bill to the floor today.

This bill does fund a number of important priorities, but I still have a number of concerns about it. I am particularly concerned about the prevalence of tobacco use amongst young people. I appreciate that the chairman worked with me and other members of the subcommittee to provide $24 million for the FDA initiative to block youth access to tobacco.

This is a good start toward the $34 million that was requested by the administration to stop kids from taking up smoking and becoming addicted. We need to bring that level up to $34 million. Three thousand youngsters start to smoke every day. One-third of them will die. We need to put an enforcement mechanism in place that curtails underage smoking.

I am also pleased that the bill provides funding for the President's food safety initiative, for the WIC Program, which provides essential nutrition assistance for pregnant women and young children, and for agricultural research.

I am dismayed, however, by a number of provisions and, in particular, by changes that were made at the full committee level. The full committee chose to recognize one specific construction project when, by agreement, numerous other worthy projects at sites around the country were left out of the bill and report. This is unfair to other members of the committee and to other Members of this House.

I am concerned that the full committee added funds above what the Secretary of Agriculture deemed sufficient for payments to crop insurance agents, even though the General Accounting Office has revealed that taxpayer dollars are being used for outrageous and unreasonable expenses, such as skyboxes at athletic events, country club membership fees, and corporate aircraft. We should not be providing extra dollars in this area.

The full committee could establish a dangerous precedent by its actions to eliminate two positions in the Department of Agriculture simply because a Member of the Congress is unhappy about the actions of an entirely different administrator.

While I do have a number of concerns, I again would like to thank the chairman and the ranking member for their efforts and express my thanks to the staff.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, first of all I want to thank the chairman, the gentleman from New Mexico, for yielding me this time and all his hard work; and the work of staff on the committee; as well as the ranking member, the gentlewoman from Ohio [Ms. KAPTUR] for the cooperation and help on this bill.

Mr. Chairman, I think some very important things are included in this; first of all, the sanctity of the contracts that we had last year. Last year I was on the authorizing committee and, as a farmer myself, I know how important it is to maintain those contracts to make sure that the farm bill, that really is going to help all farmers in the future, the sanctity of that farm bill stays intact.

That is extremely important as we go through a transition of Government controls in agriculture to a truly free-market agriculture based on exports on value added products. I am very pleased with that portion.

Also the portion about funding for crop insurance. While we did increase in the full committee somewhat the funding for crop insurance, it is still a decrease from the amount that was spent on crop insurance last year. But it does maintain a level of funding which is absolutely critical for agriculture, unless we want to go back to the days of disaster payments and coming to the Federal Government year after year for more and more money.

If we are going to finally have farmers, who now in the freedom to farm bill have that freedom to choose the crops that they want, they also have to take the responsibility to insure that crop. And for us to cut the funding for crop insurance is absolutely wrong and upside down unless we want to get the Federal Government back involved in disaster bills year after year.

I am very pleased in this bill that we continue our commitment as far as agricultural research. This really is the future for agriculture. It is the basic research we need, especially in my district where we are challenged by so many environmental concerns today, with some of the hog lots and those types of situations.

The bill also continues to fund marketing export promotion programs that are absolutely critical. We talk about having free and open trade. While that is the case, and we would like to get to that point, we are not there yet, so we do need the Federal Government involved as far as having a way of competing in the marketplace around the world.

I am very pleased too that this bill includes funding for the President's food safety initiative, the meat and poultry inspection, and enforcement of the FDA tobacco regulations aimed at reducing youth smoking. It also continues the bipartisan effort to support the WIC Program and holds the line on Federal spending.

I think everyone should understand in the small portion of this agriculture appropriations bill that actually goes to farmers, we are at a level of about 20 percent of where we were 10 years ago in support for agriculture directly. I would challenge any other agency in this Government to take those kinds of severe cuts and still have an industry out there that prospers and grows.

We have finally unleashed the power of agriculture in America with the farm bill. This bill supports that. This is the right direction to go, maintaining the safety net through individuals taking responsibility for themselves. And I am just very, very pleased that after 60 years of Government controls in agriculture, we have finally freed up what is going to be the most dynamic part of this whole economy, and that is the American agriculture machine.

Ms. KAPTUR. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Hawaii [Mrs. MINK.]

Mrs. MINK of Hawaii. Mr. Chairman, I thank the ranking member, the gentlewoman from Ohio [Ms. KAPTUR], for yielding me this time. I would like to rise initially to give my strong support to H.R. 2160 and to commend the gentleman from New Mexico [Mr. SKEEN], the chairman of the subcommittee, and members of the Committee on Appropriations for not yielding to the many demands and requests to amend the farm bill that we struggled so hard a year ago to enact.

I also rise to take the time during general debate to remind the House that, notwithstanding the popular view of Hawaii as a tourist mecca of the country and the world, that it is in my district that the bulk of the agricultural economy of my State is sustained. Therefore, we have a very strong support and reliance upon a strong farm bill, and I rise to reiterate the struggles that we had a year ago.

Specifically, on the sugar debate, which we anticipate once again will come during the amendment stages, I received a communication today, which I know I cannot insert in the RECORD at this point, but I would like to read from portions of it. It came from the American Sugar Alliance and is addressed to Members of Congress. It is signed in particular by a large number of organizations, but I wanted to cite one in particular, Gay & Robinson, of Hawaii, who is a sugar producer on the Island of Kauai, whose future will be intimately affected by the outcome of the debate on sugar, if there should be one.

Sugar cane and sugar beet growers, this letter says, in 17 States, went to their bankers last year to get financing, which they were able to achieve because of the passage of a 7-year farm bill. In the middle of all of this effort, we are now being threatened with the possibility of this program coming to a halt.

The sugar producers pay back their loans with interest, and that is why it is so unfair for people who attack this program to suggest that we have a subsidy and that we are costing the taxpayers money. In point of fact, we are producing about $40 million each year.

The giant food manufacturers are the ones that are attacking this program because they want to see foreign subsidized sugar dumped into our markets in order for them to increase their profits. So I hope that in the course of the debate on the amendments that we will rely on what we did last year and not break faith with the farmers of America.

Mr. SKEEN. Mr. Chairman, I yield myself 1 minute, and I would like to respond to the gentlewoman from Hawaii and thank her for getting the road fixed out to the research station in Hawaii for the fruit fly project.

Mrs. MINK of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentlewoman from Hawaii.

Mrs. MINK of Hawaii. Mr. Chairman, it was because of the gentleman's energetic intervention on that matter that we were able to resolve it. So I wish to thank the gentleman for raising this issue to my attention.

Mr. SKEEN. Mr. Chairman, reclaiming my time, thanks to the gentlewoman, my back healed up from that rough road.

Mr. Chairman I yield 5 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise to engage the chairman of the subcommittee and the gentlewoman from Idaho in a colloquy. I am very concerned about the administration's proposed American Heritage Rivers Initiative.

First, this initiative, originally announced by President Clinton in his State of the Union Address this last January, will threaten property rights if it is implemented. Although the initiative purports to be community led, it is the Federal agencies involved that will dominate the process and could well dictate to property owners how they can use their land.

If this occurs, we could see a severe erosion of the property rights guaranteed to American citizens under the Constitution. A prime example of this would occur in the West, where restricting cattle from streams, their only water supply, would create enormous uncompensated losses for ranchers.

The administration is advancing this initiative without sufficient input from Congress, and this concerns many of us greatly. The American people have not been granted a say about what is going on here. The agencies involved are currently planning to reprogram funds for purposes that were not authorized or appropriated by Congress.

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We are all aware that the justification for creation of the program can be found in the words ''There is no new money involved.'' However, the reprogramming of funds to pay for an initiative where the voices of the American people have not been heard is simply not acceptable.

Until Congress has reviewed this initiative and the agencies have provided sufficient budget justification material as well as substantial protections for private property rights, I am proposing that Congress in general, and the Committee on Agriculture Appropriations in particular, withhold any funds for

implementation of the American Heritage Rivers Initiative.

I appreciate the work of the chairman on behalf of private property rights, but I remain concerned that there are no concrete protections for property rights. Any assurances that the chairman could provide that no reprogramming requests will be entertained by the committee until all questions have been answered and private property rights have been protected would be greatly appreciated.

Mrs. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Texas. I yield to the gentlewoman from Idaho.

Mrs. CHENOWETH. Mr. Chairman, I appreciate the gentleman from Texas [Mr. SMITH] bringing this matter to the attention of the Members. I, too, have grave concerns about the Clinton administration's American Heritage Rivers Initiative. There are so many things wrong about both the program and the process by which it was brought forth that we simply do not have time to go into the details now. But I wholeheartedly agree with the gentleman from Texas [Mr. SMITH].

Yesterday, the full House Committee on Resources met and held a hearing on this very proposal. It was very interesting, and I learned that this so-called initiative will cost the taxpayers millions and millions of dollars every year, and yet Congress has never authorized nor appropriated funds for the American Heritage Rivers Initiative.

And the last time I checked, we were still the responsible party for authorizing and appropriating money for new programs. But what this does mean is that other programs, such as Bureau of Land Management, Fish and Wildlife Service, Forest Service programs, that already have been authorized and money appropriated for those authorized programs, are being robbed by the American Heritage Rivers Program on line. And this was from testimony by Mrs. McGinty and Secretaries Bruce Babbitt and Dan Glickman.

When we are desperately striving to meet our existing obligations and commitments, when we ask the American people to once again tighten their belts, and when we continue to spend into our grandchildren's money and into their future by engaging in deficit spending, I have to ask if this is the best use of the taxpayers' money.

I think, instead, it is sort of like saying, well, if the peasants do not have bread, let them eat cake. No, this is not a priority to the American people, because it tramples on States' rights. And to this end, I introduced H.R. 1842, a bill to stop this ill-conceived proposal. And I note that the gentleman from Texas [Mr. SMITH] is a cosponsor, and I thank him very much for raising this ill-conceived program to the attention of the Members.

Mr. SKEEN. Mr. Chairman, I yield myself 2 minutes.

The gentleman from Texas [Mr. SMITH] and the gentlewoman from Idaho [Mrs. CHENOWETH] have raised a very important issue. The committee shares their concern; and in its report accompanying the bill, it addresses this issue with respect to the Natural Resources Conservation Service. And in the report, we have directed the agency to enhance its accountability of appropriations.

To underscore how serious this matter is, we have prohibited the agency from using funds to support the American Heritage Rivers Initiative, as well as other similar administration-hatched initiatives, until justification is provided and the programming and reprogramming requests are approved by Congress.

My colleagues can be certain that I have the same concerns as the gentleman from Texas [Mr. SMITH] and others and will not agree to funding this program until we can be completely assured that there are adequate protections for private property rights.

In response to me and as one of the steps in the right direction, the administration has agreed to add the following to the final version of the initiative: ''In implementing the American Heritage Rivers Initiative, Federal departments shall act with due regard for protection of private property provided by the fifth amendment to the United States Constitution.''

In addition to this, the Council on Environmental Quality has given numerous assurances that they will continue to work with me in clarifying and protecting property rights and agriculture. However, the gentleman from Texas [Mr. SMITH] has my assurance that I have no intention of entertaining any reprogramming requests until outstanding questions and problems with the American Heritage Rivers Initiative have been sufficiently addressed.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. I want to just ask the gentleman a question if I might.

Just for clarification purposes, in the report that accompanies our bill, we did direct the administration with the following language: ''Funds for these initiatives are not available until justification and reprogram requests are approved.''

So I think we put language in the report accompanying the bill to put our subcommittee directly in oversight over what is happening. And I will say to the chairman of our subcommittee, I was hoping our community could get one of these designations. We have several rivers we need help on. But I look forward to working with the gentleman on the language as we move to conference.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. SKEEN. Mr. Chairman, I yield myself 1 minute. The gentlewoman from Ohio [Ms. KAPTUR] is correct. We have begun the process of making this a more responsible piece of legislation. It has already begun, and I assure the gentlewoman that we are going to work together to make sure that this Heritage system is conducted properly and in the right way, with the proper safeguards.

And we would like very much to have her river designated, but our river we are going to have to fight every inch, because water is water in our part of the country, and there is no substitute.

Ms. KAPTUR. Mr. Chairman, I inquire as to the time on both sides.

The CHAIRMAN. The gentlewoman from Ohio [Ms. KAPTUR] has 7½ minutes remaining, and the gentleman from New Mexico [Mr. SKEEN] has 8½ minutes remaining.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. MCHALE].

Mr. MCHALE. Mr. Chairman, I rise in strong support of the American Heritage Rivers Initiative and in sharp contrast to the comments that were made previously by the gentlewoman from Idaho [Mrs. CHENOWETH], my friend and colleague.

As indicated by the gentlewoman from Idaho [Mrs. CHENOWETH] in her comments, the American Heritage Rivers Initiative was a subject of a full hearing yesterday of the Committee on Resources. There is now an extended comment period for public participation.

Today's debate and the legislation introduced by the gentlewoman from Idaho [Mrs. CHENOWETH] amply demonstrates that there will be a full legislative role in this process. There is no new bureaucracy under this program, no new statutory authority given in terms of land use policy to the administration.

The initiative for inclusion in this program is purely local and voluntary. I would suggest to the gentlewoman from Idaho [Mrs. CHENOWETH] that if her community does not wish to participate, I respect that, but that she not block those efforts and those interests locally generated in communities, such as my own, to have 10 rivers nationwide designated for participation in this program.

I represent a community of 70 different municipalities. We are attempting to restore a river; and in that effort, we seek a Federal voluntary partnership.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Chairman, I rise today in support of H.R. 2160. I thank the gentleman from New Mexico [Mr. SKEEN], the chairman, and the entire committee and subcommittee, which has worked so hard to formulate this bill that should be supported by all Members of the House.

We have worked diligently to make sure that our Nation protects the food we eat, ensures the safety of prescription drugs and medical devices used

every day in our homes and local hospitals and we make certain that children who are most in need receive food and care and our neediest school children are provided food during the school year.

This bill maintains agriculture research and foreign market development programs that will enable our farmers to expand trade and access as we transition from farm payments to self-sufficiency. Although important to the Pacific Northwest, the research projects contained in this bill benefit all of America.

I also want to make sure that the body knows that we have been careful to write legislation that considers the taxpayer and the long-term goals of agriculture. We are going to reduce the amount of pesticides used on crops by helping to develop insect resistance plants and develop new methods of disease and pest controls. So the environmental benefits in this bill are enormous, not only to farmers but consumers as well.

I know we will have a good debate tomorrow on the issue of defunding. Certain members of the Farm Service Agency, that was my amendment, and I look forward to that debate, because that debate will be all about accountability. It will require that Government officials acts fairly to all States, all regions of the country, and that they administer programs according to their charge, and that they do so fairly and equitably to all farmers.

We have heard a lot of talk in this body about fairness and expectations of Government agencies to do what they should do under the law. This is a good example and we will have a good chance to debate the whole issue tomorrow about what is fair and what is not and about what consequences there should be to Federal officials who do not do their job.

So I urge all Members to support this bill.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. MCCARTHY].

Mrs. MCCARTHY of New York. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Of the $141 million provided for the commodity assistance program, I understand that the committee intends $96 million specifically for the commodity supplement food program, CSFP, to ensure that there is no reduction in current caseload. Is this correct?

Ms. KAPTUR. Mr. Chairman, will the gentlewoman yield?

Mrs. MCCARTHY of New York. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Yes, the gentlewoman from New York [Mrs. MCCARTHY] is correct.

Mrs. MCCARTHY of New York. Reclaiming my time, I thank the gentlewoman; and I want her to know, as a new Member, I did not know anything about agriculture, and now I see it working in my community and feeding our elderly and our children and our women.

Mr. SKEEN. Mr. Chairman, I yield one minute to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I rise in support of this bill. It is very important for us to realize what we are doing with American farm policy. Two percent of Americans are farmers, and yet they feed all 100 percent of us, plus many, many other people throughout the globe.

Our farm bill always gets criticized for the research, for the programs, and so forth. And yet within those programs is a very strong delivery system. As convoluted as it may seem, so often it makes sense when the fact that very, very few people in America go to bed hungry, and it makes even more sense when we realize that through the international programs, less go to bed hungry than they would without these programs.

We have had skirmishes. We are going to have skirmishes on peanuts, on sugar, on tobacco, on the market access programs, and on a number of other things. Yet, through it all, we must remember that we are feeding Americans with this bill and, finally, we are doing it at less dollars than we have ever in the past.

Ms. KAPTUR. Mr. Chairman, I yield myself as much time as I may consume, and I would like to inquire of the Chair on time remaining.

The CHAIRMAN. Each side has 5½ minutes remaining.

Ms. KAPTUR. Mr. Chairman, I yield one minute to the gentleman from North Carolina [Mr. MCINTYRE].

Mr. MCINTYRE. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I would like to ask the gentleman from New Mexico [Mr. SKEEN], the chairman of the Subcommittee on Agriculture Appropriations, if he would engage me in a colloquy.

Mr. Chairman, it is my understanding that the sum of approximately $24 million has been appropriated to the Food and Drug Administration for the purpose of implementing new regulations concerning tobacco sales to minors. In light of the fact this funding represents a $20 million increase over similar funding in the prior fiscal year budget, I would ask the chairman if it is his understanding and the understanding of those on the committee that none of this funding is to be used to monitor or regulate the growing, cultivating, or use of raw tobacco?

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

Mr. MCINTYRE. I yield to the gentleman from New Mexico.

Mr. SKEEN. The answer to that question is, yes.

Mr. MCINTYRE. Reclaiming my time, furthermore, is it the committee's expectation that this authority should remain exclusively with the U.S. Department of Agriculture?

Mr. SKEEN. If the gentleman will continue to yield, once again, the answer is yes.

Mr. SKEEN. Mr. Chairman, I yield one minute to the gentleman from Nebraska [Mr. BEREUTER].

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

□ 2100

Mr. BEREUTER. Mr. Chairman, I rise in support of the legislation. I want to commend the chairman and the ranking member for an outstanding job in meeting the Nation's agriculture, agribusiness, rural housing and small community housing and development programs with limited resources. I am particularly appreciative of some assistance for the Midwest Advanced Food Manufacturing Alliance, 12 major leading universities plus corporations; a quarter of a million dollars for a very special and detrimental disease affecting grain sorghum; for drought mitigation research projects; and for various CSRS projects at the University of Nebraska.

Also I want to say to the gentleman, the gentlewoman and also to the former member, Mr. DURBIN, that I think that the loan guarantee programs for housing, like the 502 program and the demonstration for the 538 program, are working well. I appreciate their continued support and again I thank them for the tremendous work.

Mr. Chairman, I include the following letter for the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, COMMITTEE ON APPROPRIATIONS,
Washington, DC, July 9, 1997.

Hon. DOUG BEREUTER,
House of Representatives, Washington, DC.

DEAR DOUG: Earlier you wrote me regarding funding for several Department of Agriculture special research grants.

I am pleased to say that the FY 1998 Agriculture Appropriations Bill reported by the Committee includes $300,000 for the Alliance for Food Protection in Nebraska and Georgia, $200,000 for drought mitigation in Nebraska, $42,000 for the Food Processing Center in Nebraska, $423,000 for the Midwest Advanced Food Manufacturing Alliance, $64,000 for Nonfood Agriculture Products in Nebraska, and $59,000 for Sustainable Agriculture Systems in Nebraska.

I hope we will have not only your vote, but also your personal support when the bill is considered by the House.

Sincerely,

JOE SKEEN,
Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. POSHARD].

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. POSHARD].

The CHAIRMAN. The gentleman from Illinois is recognized for 2 minutes.

Mr. POSHARD. Mr. Chairman, I wish to engage the chairman of the subcommittee in a colloquy.

Mr. Chairman, I am particularly concerned with the effect of additional

cuts in Farm Service Agency funding on staff positions in my district and across the country.

Can the gentleman describe to me the impact this funding decrease will have on FSA county jobs, in addition to county office closures and the ability of the FSA to adequately serve the needs of our Nation's farmers?

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

Mr. POSHARD. I yield to the gentleman from New Mexico.

Mr. SKEEN. Let me first assure the gentleman that I have worked closely with the Department of Agriculture in arriving at the current appropriation level. I am satisfied that, although less money will be allocated to the FSA under this bill, the funding level will not result in more office closings than was planned and agreed to by Congress in the Reorganization Act of 1994. The reason we are able to use less funds here is due to erroneous assumptions in the President's budget regarding FSA's nonsalary funding needs as well as a higher than expected staff year reduction by FSA in the months since submission of the President's budget.

Mr. POSHARD. Although I continue to harbor doubts about the effect of these cuts, I will accept the gentleman's response. However, Mr. Chairman, I must also express my serious concerns regarding the effects of the initial cuts to FSA which were included in the 1994 act. The impact of these cuts is ongoing and I believe that the hardships that they have caused in the form of job loss, office closures and the potential for decreased service availability must be addressed and should be limited as effectively as possible in the future.

Mr. SKEEN. I thank the gentleman for sharing his concerns with this body. I will continue to work with him to ensure that any changes within FSA are made equitably and with the serious consideration befitting such an issue.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FARR].

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. FARR].

The CHAIRMAN. The gentleman from California is recognized for 1½ minutes.

Mr. FARR of California. Mr. Chairman, I rise to thank the distinguished chairman of this incredible committee that has one of the most important jobs in all of Congress because it is so diverse to have to deal with all the issues of agriculture. I rise in support of a very important issue to American specialty crop growers.

As the gentleman knows, for 4 years the Salinas ARS station, located in the heart of the largest vegetable production area in the United States, has been without a research scientist, to the detriment of the lettuce industry.

Does the gentleman agree that the lettuce farmers would be greatly aided by filling this position with a scientist at USDA with expertise in lettuce breeding?

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

Mr. FARR of California. I yield to the gentleman from New Mexico.

Mr. SKEEN. I tell the gentleman from California [Mr. FARR] that, yes, I agree that the lettuce farmers would be greatly aided by the filling of this position.

Mr. FARR of California. I thank the gentleman.

Would the gentleman agree that the research for such a specific crop be conducted in the Salinas Valley?

Mr. SKEEN. Once again in the affirmative, yes, it is important that the research be conducted in the field under real farm conditions for the best achievable and quantifiable results. Research in the field is where farmers will have quickest access to breakthrough technology.

Mr. FARR of California. Mr. Chairman, I appreciate the gentleman's commitment and the commitment of the committee in directing USDA to fill this vacant research position at the Salinas Valley ARS station to ensure that the final bill will include funding for this ARS position to support onsite lettuce research.

Mr. SKEEN. It is my pleasure to assist the gentleman in this endeavor, and I appreciate his commitment to good agricultural research.

Mr. FARR of California. Mr. Chairman, I thank the gentleman, and I look forward to supporting him on this great, important bill.

Mr. SKEEN. I thank the gentleman. We can sure use it.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. BARCIA].

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. BARCIA].

The CHAIRMAN. The gentleman from Michigan is recognized for 1½ minutes.

Mr. BARCIA. Mr. Chairman, I rise to engage in a colloquy with the distinguished chairman of the subcommittee, the gentleman from New Mexico [Mr. SKEEN] to verify the committee's intent with respect to two Agricultural Research Service projects.

Mr. Chairman, the committee has provided an increase of $500,000 for vomitoxin research, a matter of great importance to many of my wheat growers and millers. With this increase, will ARS be able to subcontract with universities to undertake portions of a broad research plan that I know was brought to the subcommittee's attention by myself and several of my colleagues?

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

Mr. BARCIA. I yield to the gentleman from New Mexico.

Mr. SKEEN. The gentleman is correct. ARS could use existing authority and these funds to contract with universities to undertake appropriate portions of their proposal.

Mr. BARCIA. I thank the gentleman.

The subcommittee also provided $727,000 for global climate change research. My understanding is that this funding will allow the Consortium for International Earth Science Information Network to continue the agricultural related work that they already have under way with ARS. Does the gentleman share my understanding?

Mr. SKEEN. Again the gentleman from Michigan is correct. We funded this portion of the request of the Agricultural Research Service.

Mr. BARCIA. I thank the gentleman for his assistance and for his answers and also thank the gentlewoman from Ohio [Ms. KAPTUR], the distinguished ranking member of the subcommittee.

Ms. KAPTUR. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. STENHOLM], the extremely talented, knowledgeable and experienced ranking member of the authorizing committee.

The CHAIRMAN. The gentleman from Texas is recognized for 1½ minutes.

Mr. STENHOLM. I thank the gentlewoman for yielding me this time.

Mr. Chairman, I join in commending the gentleman from New Mexico [Mr. SKEEN], the chairman of the subcommittee, and the gentlewoman from Ohio [Ms. KAPTUR], the ranking member, for the excellent work that they have done as well as the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the full committee, and the gentleman from Wisconsin [Mr. OBEY] the ranking member.

Working on the agricultural appropriation bill cannot be fun. We have so many needs and so many limited resources that the pressures are great, but they have done a good job and I rise in strong support of H.R. 2160.

I have only one negative remark to say about the work, and that was it has one blemish. The Nethercutt amendment, I think, was unfortunate. It will, as the gentleman from Washington [Mr. NETHERCUTT] mentioned a moment ago, be debated in full tomorrow, and I hope that the full House will join in striking this amendment. It has no place in a bill of the nature of which we are talking about today. But all in all it is a good bill.

The gentleman from New Mexico [Mr. SKEEN] has done a great job again in putting together as best we can to meet the needs of the number one industry in the United States. If one eats, he is involved in agriculture. It is something we have heard our colleagues from the urban areas talk about tonight, coming to realize that food production is extremely important to all of us. The authorizing committee does not have very many problems this year with the appropriators, and that in itself is saying quite a bit here today.

Mr. Chairman, I look forward to the debate tomorrow and helping to defeat many of the amendments that some of our colleagues will be offering which

they have every right to do, but I think we have to keep together the basic structure of agriculture as intended under the farm bill and with the intent of the appropriators and the work that they have done. I look forward to supporting them in that endeavor.

Mr. Chairman, H.R. 2160 is an important bill which funds the operations of the Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission, and the many functions of those agencies. The Department of Agriculture is an important partner to our nation's farmers and ranchers, and with this bill Mr. SKEEN, Ms. KAPTUR, Mr. LIVINGSTON, Mr. OBEY, and the other Members of the Appropriations Committee have recommended a bill that carefully balances program priorities.

Mr. Chairman, agriculture is our Nation's most basic industry. Every day, slightly over 2 million farmers are laboring to produce food to feed a nation of 265 million people and much of the world. In 1996, our nation exported $60 billion worth of agricultural products and our trade balance in agricultural products was a positive $25 billion. The House considers this bill today under a backdrop of both uncertainty and opportunity over the prospects for the business of agriculture. Milk prices are at 5-year lows, wheat prices have fallen by more than half since a little more than a year ago, and corn prices are not much better.

At the same time, government financial support for agriculture is declining under the 1996 farm bill and the income certainty which once came with government programs for major crops no longer exists. Adjustments to these changes in conditions are occurring at a rapid pace as farm numbers shrink and concentration in agriculture grows.

Mr. Chairman, the economic upheavals that pose such a serious challenge to our farm families are closely paralleled by general conditions in the rural economy. As farming resources become concentrated into fewer hands, we also see a comparable trend in the rural industries closely associated with farming and rural life. Farm product processing facilities, rural retailers, and providers of financial services have become fewer and larger. In many instances, those towns which traditionally served as trade centers are being bypassed. The subsequent challenges to the leaders of those communities are truly profound.

Our Nation's important focus on the quality of our natural environment is one that is shared by our nation's farmers. The 1996 farm bill made important changes in programs meant to assist farmers and coordinate efforts to promote environmental health. Our policies work best when priorities set in Washington are closely coordinated with the natural interest the farmer and rancher have in promoting the health and productivity of the soil and the safety of our food supply.

Mr. Chairman, these trends in farm and rural economies pose significant challenges to the rural communities of our Nation and to those of us who serve them. H.R. 2160 will provide the Agriculture Department with the resources it needs to address the challenges facing rural America. Under the bill, funding is provided for cooperative efforts in agricultural research—the key to sustained economic viability for agriculture. It provides funding for the administration of the basic farm programs established under the farm bill. It provides funding for the delivery of federal crop insurance. It provides funds for the conservation programs which are an increasingly important focus of the mission of USDA. The bill also funds important programs that will help rural communities address the substantial economic challenges they face.

I am concerned about the impact the funding level provided will have on Natural Resources Conservation Service [NRCS] as well as the restrictions that the bill places on the amount of funds that can be transferred for technical assistance work.

According to the Department of Agriculture, the impact of the level of funding that was provided for NRCS salaries and expenses in the committee-passed bill would result in cutting NRCS employment by 500 staff years—over and above the personnel reductions that will occur from the absorption of projected pay increases, inflation, and retirement costs that this bill requires of all agencies within the Department.

It is my understanding the Senate's Agriculture Appropriations Subcommittee recommends a higher level of funding for conservation operations than H.R. 2160. It is my hope the conference agreement will yield a level sufficient to ensure that NRCS is able to carry out vital mandated conservation activities.

With regard to the NRCS funding situation, Committee on Agriculture needs to deal with what I believe was an unintended consequence of language included in the 1996 farm bill. Section 161 of that bill to the extent it imposes a limitation on transfers for activities under the Commodity Credit Corporation Charger Act proven to have detrimental effects on the ability to provide adequate reimbursement for NRCS activities such as the agency's role in the Conservation Reserve Program sign-ups.

Mr. Chairman, I raise these issues because I am concerned about the fact that in terms of real dollars we are spending less today on conservation activities on private land than we did back in 1937. In constant dollars, we invested 6 percent of the 1937 Federal budget for USDA conservation programs. Spending on USDA conservation programs in 1996 was 0.17 percent.

By contrast, the appropriation for the Farm Services Agency [FSA] salaries and expenses represents a level of funding sufficient to run the Agency at the Administration's proposed 1998 level of staffing. The FSA work force has been reduced by more than 500 staff years in fiscal year 1997 since the President's budget was submitted. This reduction in personnel, along with lower nonsalary budget needs, means that FSA requires $44 million less funding in 1998 than the administration's February request, and will mean staffyears can be reduced by 1,000 instead of the 2,000 staffyear reduction included in the President's budget.

Mr. Chairman, I have a very real concern about language that was included in the Committee report regarding NRCS's implementation of the Environmental Quality Incentives Program [EQIP], specifically the allocation formula that was used to determine each State's share of EQIP funds.

The report indicates that EQIP funds were distributed based on historical allocations for programs which are no longer authorized. However, section 334 of the 1996 farm bill states that the purposes of EQIP are to ''combine into a single program the functions'' of the agricultural conservation program, the Great Plains conservation program, the water quality incentives program and the Colorado River Basin Salinity Control Program.

While these individual programs are no longer authorized, the intent of the Agriculture Committee and the conferees was very clear in last year's farm bill, in that this new program was intended to carry out the same types of practices as the repealed programs. The Department is expected to do this in a way that maximizes the environmental benefits per dollar expended, as well as take into account regional priority areas and the significance of the environmental problems being addressed.

Mr. Chairman, I believe combining the cost-share programs in the farm bill was a bold step which should prove to be beneficial in the long term. However, I am concerned that because of the limited amount of resources available and the great number of pressing needs throughout the country, we may have a situation where some types of activities may no longer be considered important, even though they may have legitimate conservation benefits.

Mr. Chairman, we should not tie the administration's hands in terms of the flexibility needed to respond to arising needs. Obviously, if the program does not meet expections, we can legislate changes. However, we should preserve a certain degree of administrative flexibility as well.

I believe that some lesser-known conservation programs that have been carried out over the years have yielded this country a great deal of benefit, and I want to ensure that this continues to be the case.

In my district, dairy farmers are striving mightily to comply with environmental requirements. We must do all we can to ensure that areas with specific needs have access to the programs and funding needed to meet particular, legitimate conservation and environmental activities.

Mr. Chairman, this is a good bill overall but it does have one significant blemish. The Appropriations Committee adopted an amendment designed to eliminate the jobs of the Administrator and Deputy Administrator for Farm Programs of the Farm Services Agency. As I understand it, the amendment stemmed from the dissatisfaction of its sponsor with a policy decision related to the Conservation Reserve Program. Frankly, by the trivial approach taken by my colleagues on the committee. This provision is particularly unworthy in light of the important and profound work accomplished by this legislation in so many other areas.

Mr. Chairman, I intend to offer an amendment to strike this provision from the bill, and I hope my colleagues will join with me to acknowledge that there are better ways to respond to adverse administrative decisions than to eliminate the jobs of Department officials.

Finally, Mr. Chairman, it appears that once again we will use the annual agriculture appropriations process to debate the merits of several farm bill programs. While the House has the ability to address these issues—and did so during debate on the farm bill—through the normal legislative process, we will again rehash these debates today.

Mr. Chairman, our colleagues continue to challenge farm programs in spite of the evidence of their success. Ours is the best-fed nation in the world. Our food is delivered to us in return for a lower percentage of disposable income than any other industrial nation in the world. Nonetheless, Mr. Chairman, we will hear today the sad story of how our Nation's's family farms are somehow managing to take advantage of the enormous candy-manufacturing conglomerates.

Mr. Chairman, I hope my colleagues will pay careful attention and will acknowledge the many reforms made to our program in the 1996 farm bill, and stand against these amendments which, if adopted, would greatly diminish the standing of an otherwise excellent piece of legislation.

Mr. Chairman, I thank my colleague for the time, and I again wish to commend the Committee on Appropriations and its leadership for the excellent work they have done on this important bill.

Mr. FAZIO of California. Mr. Chairman, I rise in support of H.R. 2160, the Agriculture appropriations bill for fiscal year 1998.

First, I need to thank my chairman, JOE SKEEN, and the ranking Democrat, MARCY KAPTUR, for their work and assistance this year. This is my first full year on the subcommittee, and I have enjoyed participating in our budget oversight hearings and offering a much-needed California perspective.

The work of our subcommittee was nearly doubled this spring because of our consideration of the supplemental appropriations bill. I want to commend JOE SKEEN in particular for his inclusive manner during those proceedings—he included JIM WALSH and me in his deliberations on the agriculture components of that bill because we were conferees on the bill representing other subcommittees, and that spirit is evident throughout this bill as well.

H.R. 2160 is not a perfect bill. In fact, it continues an alarming trend in providing the absolute minimum resources to USDA to run the Farm Service Agency, the Natural Resources Conservation Service, and the rural development agencies and other important agencies in order to fund some other significant initiatives.

For example, we have done a good job in proposing increases for the President's initiatives in the area of food safety and youth tobacco prevention, as well as increasing resources for competitive research and for the operations of the Food and Drug Administration. We've increased WIC although not as much as the administration requested. We have also funded the administrative costs of crop insurance—a new responsibility handed to us by the 1996 farm bill.

However, those increases have come at the expense of many of the Department of Agriculture's normal operations, where we have actually reduced salaries and expenses for many agencies. Over time, this can only have a detrimental effect for the services that many of our farmers and others expect from USDA.

We also had some contentious debate in the full committee and some unfortunate party line votes on some less consequential matters. I was particularly disappointed in one amendment adopted in the committee that added report language recommending that up to $4.75 million be made available for a building at Auburn University.

Actually, I support a limited amount of funding in this account. My highest priority has been the final Federal funding component for an important integrated pest management research facility at the University of California at Davis.

A new pest is introduced into California every 60 days, and it is imperative that we have the up-to-date facilities to develop effective methods to deal with them. This facility will support and accelerate research needed for environmentally compatible pest management strategies.

Institutions who benefit from these funds—such as the University of California at Davis—are required to provide a specific and verifiable cost-share. So this program represents a real commitment by State governments and the Federal Government to developing the successful agriculture strategies of the future.

I understand the desire by the committee to phase out and halt this funding over time. However, I believe we have a responsibility to States that have put up hard matching dollars in good faith and whose projects are within a reasonable range of funding for completion. Since the bill lacks funding in this account, I was disappointed that the committee voted along partisan lines to single out the building at Auburn for special consideration.

Despite some of these reservations, I support the bill and I think JOE SKEEN and MARCY KAPTUR have done a good job under demanding circumstances.

I have particular praise for several items of importance to California agriculture and to my district.

First, the bill has fully funded the President's proposed food safety initiative—or, I should say, comes within $200,000 of fully funding the President's initiative. We include funds for the Food and Drug Administration to improve surveillance, upgrade research and inspections, and perform increased risk assessments. We also provide funds for the Food Safety and Inspection Service to increase related surveillance and inspections. In addition, the food safety initiative increases related research in both the Agricultural Research Service and the Cooperative State Research Education and Extension Service.

This is a promising initiative, and it is an area of increasing importance to the health concerns of American consumers. I am very happy to have had a part in pushing this initiative forward, and I commend our chairman and other members of our committee for ensuring that it is funded in a year when our agriculture budget is under considerable stress.

Second, the bill provides funds mandated by the Agriculture Committee for the Market Access Program [MAP].

I anticipate that this program will come under attack again this year by an amendment seeking to eliminate it.

But there is probably no more important tool for export promotion than MAP. In California, where specialty crop agriculture is the rule, export promotion is extremely important.

Agriculture exports climbed to $59.8 billion in fiscal year 1996—up some $19 billion or close to 50 percent since 1990. In an average week this past year, U.S. producers, processors and exporters shipped more than $1.1 billion worth of food and farm products to foreign markets, compared with about $775 million per week at the start of this decade.

The overall export gains raised the fiscal year 1996 agricultural trade surplus to a new record of $27.4 billion. In the most recent comparisons among 11 major industries, agriculture ranked No. 1 as the leading positive contributor to the U.S. merchandise trade balance.

As domestic farm supports are reduced, export markets become even more critical for the economic well-being of our farmers and rural communities, as well as suburban and urban areas that depend upon the employment generated from increased trade.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion in related economic activity.

Agriculture exports produce a positive trade balance of nearly $30 billion.

MAP is critical to U.S. agriculture's ability to develop, maintain and expand export markets in the new post-GATT environment, and MAP is a proven success.

In California, MAP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, prunes, almonds, peaches and other specialty crops.

We have to remember that an increase in agriculture exports means jobs: a 10 percent increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing and distribution.

For every $1 we invest in MAP, we reap a $16 return in additional agriculture exports. In short, the Market Promotion Program is a program that performs for American taxpayers.

Third, the committee has continued to provide the greatest possible funding for research stations of the Agricultural Research Service, and through the special grants and competitive grants in the Cooperative State Research Education and Extension Service.

I am particularly grateful that funds have been provided in support of our nutrition research centers. These centers will play an important role in the food safety research that will be a vital part of the food safety initiative. Funds have also been provided to begin the move of the Western Human Nutrition Research Center to the campus of the University of California at Davis. I believe its location there, along with one of the preeminent nutrition programs in the nation as well as our ag and medical schools, will provide the synergy necessary to make important research strides in the years to come.

There are other research areas of importance to California, including alternatives to the use of methyl bromide, PM–10 particulate air quality research, sustainable agriculture practices, and alternatives to rice straw burning. Certainly our future success in agriculture, especially market-oriented agriculture as envisioned by the 1996 farm bill, will require an on-going commitment to research if we are to maintain the U.S. lead.

In summary, this is a fair bill given the many needs and many issues within the committee's jurisdiction. I commend Chairman JOE SKEEN and Ranking Member MARCY KAPTUR for their leadership in support of American agriculture, and I urge my colleagues to support H.R. 2160, the Agriculture appropriations bill for fiscal year 1998.

The CHAIRMAN. All time for general debate has expired.

Mr. SKEEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. LINDER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, had come to no resolution thereon.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TAX RELIEF FOR MIDDLE CLASS FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to talk to my colleagues tonight about taxes. I think it is very, very important to understand why the working middle class families of America need tax relief. Here is a chart that I hope everyone can see that shows in the 1950's the average American family, of average income, paid about 6 percent Federal income tax. In 1994, it was 23 percent Federal tax burden. Today, the Federal tax burden, 1995, is 39 percent. As my colleagues can see, the working middle class families are paying higher taxes than ever before in history.

We need tax relief. Because the less taxes people pay, the less taxes families pay, the more time they can spend with each other. One of the key benefits of that is so that moms and dads can spend time with their children and impart information and help raise them.

□ 2115

Now what does our tax relief bill do? Our tax relief bill gives 76 percent of the tax relief to middle-income families making between 20 and $75,000. That is this big chunk right here. That is who is getting the tax relief. That is who needs tax relief. I think that we should get over class envy, but it is very important to point out that most of the tax relief, 76 percent, goes to people earning or families earning between 20 and $75,000.

Now over a 10-year period of time, if you look at the tax relief, you can see that 90 percent of the tax relief goes to family and education or families for educational purposes. Seventy-five billion dollars in tax relief for educational uses over a 10-year period, and $150 billion over 10 years for the $500 per child tax credit; that is a huge tax reduction, and it all goes for the right purposes.

Now we got a big debate going on that you may hear about, about the tax bill, and that is why I invite Members of Congress and members of the public to look this up on the Internet. Find out what the family tax relief plan could mean to your family.

I am going to say what the Internet number is. It is http://hillsource.house.gov, and there is also a Senate page that you can get too, but today you can look up on the web page exactly what this tax relief bill could mean to you for your $500 per child tax credit, HOPE scholarship, for your children to enter an education, your IRA dream savings account expansion.

There is a lot to it, and I would urge members of the public to look it up on the Internet.

And, Mr. Speaker, I will be happy to yield to my friend from Pennsylvania.

Mr. FOX of Pennsylvania. I understand the gentleman yields.

Mr. KINGSTON. Yes.

Mr. FOX of Pennsylvania. Mr. Speaker, I think the fact is that this has widespread support among the public and also Congress. Was this not the agreement that the President has made with Congress to move forward with this family tax plan?

Mr. KINGSTON. Yes, and it is very interesting that the gentleman will point out that the President is working with the Republican Party on a bipartisan basis to give this middle class tax relief.

There are Members, liberal extremists, on one fringe element of his party who is against tax relief for the middle class, but for the most part this is a bipartisan middle class tax relief bill.

I yield to the gentleman from Pennsylvania.

Mr. FOX of Pennsylvania. Not only will it help seniors with the estate tax assistance and also helps with the capital gains tax to grow jobs and the economy, but the education tax credits will help families send students to college.

I know my own district, 108,000 families will benefit from the $500 per child tax credit.

So this is an idea whose time has arrived.

Mr. KINGSTON. Absolutely, and I know in my First District that I represent of Georgia it will give tax relief, we figure, to about 300,000 people in the coastal Georgia area alone.

But you know the more money you have as a wage earner, the more money you have in your pocket, because we as a confiscatory government take less of it, that means you are going to spend more. You are going to buy more shoes, more shirts, more records, you are going to go out to eat more. When you do, businesses will expand because of the demand. When they expand, they create more jobs. When they create more jobs, more people are working, more people are paying taxes, fewer people are on welfare, and cutting taxes, therefore, is very consistent with the goal of deficit reduction.

Mr. FOX of Pennsylvania. You are absolutely right.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REPUBLICANS ON THE SIDE OF THE WEALTHY WHILE DEMOCRATS ARE FIGHTING FOR MIDDLE-CLASS FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, yesterday Speaker Gingrich stood in the well of this House and he invited, as my colleagues just did, the American people to visit the House Republican web site, calculate their estimated tax savings under the Republican plan. So I thought let us see how the average working taxpaying mother with two kids would fare under the Republican plan.

So I entered in an income of approximately $25,000. I received an error message saying that they could not calculate her savings. Perhaps that is because this family would get a big fat zero, no tax break at all under the Republican tax plan.

Then I entered in the data for someone making $1 million a year, half of that in capital gains. The Republican calculator had no problem figuring out their tax break, $40,000.

That is right, a millionaire gets $40,000 back, and the average working taxpaying mother gets nothing, gets zero.

The Washington Post editorial this morning hit it right on the nose, and I quote: ''The Republicans have written a tax bill tilted heavily toward the better off.''

If anything, this was an understatement. The Post labels their editorial, and I quote again, ''Tax Trash,'' which perfectly describes the Republican tax bill. In fact, there are so many bad things in this bill it is hard to know where to begin.

But let me tell you the story of three young people which drives home the point of how unfair this Republican tax proposal really is.

Today I received a visit from three students: Anthony Dugdale, Scott Saul and Lori Brooks. They are all graduate students at Yale University in my hometown of New Haven. These young people took the train all night from Connecticut for the express purpose of protesting the fact that in this bill the Republicans actually raised taxes on graduate students in this country, and they brought with them the signatures of 600 other graduate students protesting this provision in the Republican tax plan.

These students are rightly outraged that Republicans are planning to reward their hard work as research assistants and teaching assistants by raising their taxes on the grants and the tuition waivers that they receive. These young people, if you heard them speak today, are committed to education, they are committed to working in their community, they are committed to a teaching profession. Under the present tax program a student receiving a $10,000 cash stipend for being a teaching assistant and a $20,000 tuition waiver would only be taxed on a stipend. If the student pays 15 percent of his or her stipend in taxes, $8,500 remains for living expenses. Under the Republican plan, the stipend and tuition waiver will be taxed; that has not happened in the past, leaving the student with only $5500 to live on. This is a $3,000 or a 35 percent cut in the student's net income.

Mr. Speaker, these are youngsters from working middle class families trying to make their way and to be able to get a higher education. Calling waivers and grants financial incentives, which is what the Republicans are calling these waivers, this equates these young people with what they are getting in terms of a higher education tax relief with company cars and other perks given to the top corporate executives in this country. In reality, taxing grants and tuition waivers will penalize America's future educators and public servants.

I will tell you that these young people and their families are being squeezed in order that my Republican colleagues can provide a tax break to the richest corporations in this country, the Exxons, the Boeings. They would repeal the alternative minimum tax. That is the rate at which the richest corporations pay taxes in this country. They will repeal their tax obligation or scale it back, therefore providing up to $22 billion in a tax break, and they would, in fact, raise the taxes on graduate students in this country.

Mr. Speaker, it is unfair, and it is wrong, and it should be defeated.

Mr. Speaker, I include for the RECORD the Post editorial.

TAX TRASH

The Republicans have written a tax bill tilted heavily toward the better-off. The Democrats, led by the president, have rightly called them on it. No matter that in agreeing to the budget deal earlier this year, they were paving the way for what they now deplore; they have the Republicans on the defensive.

The Republicans in turn have adopted a new technique. Rather than argue as they might have done in the past about the virtues of the bill, they engage in distortion. It used to be otherwise on taxes. The question of who would benefit from a bill—who would be the first-order beneficiaries—would be left to the professionals. They would put together so-called distribution tables according to fairly well-accepted principles. Then the politicians would argue about the fairness of the bill, or lack of it, from an established base. Defenders of a bill such as this might say it was necessary to encourage savings and investment and thereby stimulate economic growth, or that it would have the useful effect of limiting governmental growth in that if the government had fewer revenues it would be less disposed to spend. Or they might make the political argument, faint echoes of which are still heard, that those who were charging unfairness were indulging in the somehow seamy politics of envy and class warfare.

All fair enough, but now the argument is in a different place. The people who wrote this bill aren't defending its distributional consequences; they're denying them. The plain facts are that the bill over time would not just mainly benefit the better-off but would cost the government revenues it can't afford; the bill is carefully written in such a way as to make the revenue loss look small at first. Then it soars. It's not just the Treasury (and thereby the administration) that says so, using accepted methods and conventions of analysis. The Congressional Research Service and the vast majority of other analysts do so as well. Congress's Joint Committee on Taxation says otherwise. The JCT was once the great redoubt of integrity in such matters. It has been converted into a political parrot.

Everyone understands that this is a backloaded bill. Its short-term effects are not reflective of its likely long-term consequences. It will take 10 years or more for its main provisions to begin to have their full effect. The JCT staff nonetheless persists, at the behest of its masters, in putting out five-year estimates whose principal function is to distort that effect. It violates its own proud tradition in doing so. It uses illusory accounting to make the capital gains and other tax cuts in the bill appear for a time to be tax increases.

There is always some gamesmanship surrounding tax bills. Inflated claims are made. One side will tell you that the entire economic future depends on passing a certain provision, and the other will tell you that the same future depends on defeating it. But there used to be a basis of trust underlying the debate as well. You could be confident that at a certain level you were being told the truth about the consequences of a bill. In their trashing of the estimating process in order to justify a tax policy that doesn't deserve to survive, the Republicans have destroyed that trust. That may be the worst consequence of this legislation, which already was awful enough.

EUROPE SHOULD NOT MEDDLE IN THE INTERNAL AFFAIRS OF U.S. BUSINESSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, the objection of the European Union to the merger of the McDonnell Douglas and the Boeing Co. is unreasonable and will not be tolerated. These two wholly owned American companies intend to merge early next month. The review reputedly conducted by the European Commission was, in fact, controlled by Airbus Industries and its member nations. The decision by the EC is threatening the U.S.-European relationship. If it continues, it will have damaging effects now and into the future.

The stand of the European Union is unacceptable for several reasons. First, the parties involved are both wholly owned United States companies with a global customer base. Second, the objections raised by the European Union regarding the abandonment of exclusive contracts awarded to Boeing is inappropriate. Airbus Industries was an eligible competitor for each of the three contracts and was not awarded them based on the decisions by the specific companies. Airbus never objected to carrier requests to make contracts exclusive in return for reduced prices until they lost out in the contract. In fact, even the European Commission objected only after the agreements were concluded.

It is inappropriate to risk United States jobs because the free market worked its will. In fact, the initial long-term contract from U.S. Airways was awarded to Airbus; that is, the initial long term contract was awarded to Airbus prior to these agreements. That is right, Airbus created the very ideas of exclusive contracts.

The proposal by the European Union to require Boeing to divest of their interest in McDonnell Douglas commercial aircraft is unacceptable as well. The United States Federal Trade Commission conducted a thorough review of the proposed merger and concluded that McDonnell Douglas is no longer able to sell enough commercial aircraft to raise significant concerns about the loss of its competition. Last year McDonnell Douglas was responsible for only 4 percent of the global commercial airplane business.

The divestiture by Boeing of the McDonnell Douglas commercial aircraft business would have severe ramifications worldwide. First it threatens Americans' jobs that are tied into the continued support of McDonnell Douglas aircraft by the Boeing Co. Further, McDonnell Douglas' commercial aviation division cannot maintain itself as an independent company, and previous efforts to sell the commercial aviation division have been unsuccessful. Therefore, any divestiture would threaten the safety of McDonnell Douglas commercial aircraft already in service if the commercial division was to close.

The last thing this Congress should support is the divestiture of McDonnell Douglas' commercial aircraft because it would result in the loss of over 15,000 American jobs, that is 15,000 American jobs.

Mr. Speaker, it is vital to the health of the United States to downsize through mergers the military industrial base as we celebrate the end of the cold war period and adjust military budgets accordingly. Because of the large defense business that will be conducted by the Boeing Co., any action by the European Community is an infringement on the sovereign rights of the United States to provide for U.S. national security.

Mr. Speaker, over 80 percent of Americans agree with me that Europe should have no say in the internal dealings of two American companies. I urge every Member to contact my office and

sign on to a letter to the European Union clearly stating Congress' belief that Europe should not meddle in the internal affairs of U.S. businesses. Europe should have no say in American markets' decisions that ultimately cost American jobs and American sovereignty.

□ 2130

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentlewoman from California [Ms. MILLENDER-MCDONALD] is recognized for 5 minutes.

[Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

[Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

[Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

BOTH DEMOCRATS AND REPUBLICANS WANT TO HELP PEOPLE, AND VOTING FOR LESS GOVERNMENT IS FREQUENTLY THE BEST WAY TO ACHIEVE THAT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, it is totally false to say that one party cares more about the environment or children or senior citizens than the other party. I do not understand why we have to constantly attack each other or question each other's motives to express our views.

Neither party has a monopoly on virtue. Neither party has cornered the market on compassion. I know I am going to state some things that should be obvious but that are often questioned around here.

Republicans love children just as much as Democrats do. Republicans want a clean environment just as much as Democrats do. Republicans have just as much compassion and sympathy for the disabled and senior citizens as Democrats do. Republicans support education just as strongly as Democrats do, and vice versa. I repeat, no one has cornered the market on compassion. No one has a monopoly on virtue.

We do have differences of opinion. We have different philosophies and beliefs about the best ways to help people. But all of us, both Democrat and Republican, want to help people. We all want to make this Nation a better place in which to live.

Republicans believe that big government hurts children by taking so much money away from parents and spending it instead on bureaucrats, fat cat government contractors, and administrative costs. Republicans have looked all over the world and have seen that big government benefits the few, the elite, those who work for or have connections with the government. Republicans believe government means a minute, elite class and a huge underclass, and that conversely, a small government means a huge middle class.

Look at the former Soviet Union, where the leaders of the Communist Party had their limousines and dachas by the sea and special stores in which to shop, while almost everybody else led a starvation existence. Look at the United States in 1950 where the average person paid 2 to 4 percent in taxes to the Federal Government and another 2 to 4 percent to State and local governments. We had a huge middle class and a much smaller difference between the rich and the poor. Now almost 50 years later, Government has exploded and the average person pays almost half of his or her income in taxes when we count taxes of all types, Federal, State, and local.

What has happened? Many middle-income people are finding it harder and harder to keep ahead. Personal bankruptcies hit an alltime record of 1.1 million last year. The gap between the rich and the poor is growing wider and wider.

Also, where many mothers formerly had their choice of staying home with their children if they wished, today, with half of the average family's income going in various forms of taxes, one spouse has to work to support the Government while the other spouse works to support the family.

My point, Mr. Speaker, is simply this: Sometimes the best way to help children and families is not through another Government program which has a good apple-pie-and-motherhood title but which really helps only a few bureaucrats and Government contractors.

The Job Corps is a prime example. Today we spend $25,000 per Job Corps student. This would shock most of these students, because almost all of this money is going to bureaucrats and contractors. We could take each Job Corps student and give them a $1,300 allowance and send them even to an expensive private school and still save money. This is how ridiculously expensive this and many other Federal programs have become.

My time is limited, Mr. Speaker, but let me mention the environment. The worst pollution in the world has occurred in the Socialist and Communist countries. Big government is bad for the environment. Only in a free market system can we generate the funds necessary to do the good things for the environment that all of us, both Democrat and Republican, want done. Also, people take better care of their own property than they do someone else's. Private property is not only good for the environment, it is essential.

John Stossel of ABC News had a special on television a couple of years ago in which he pointed out that to clean our air to the almost impossible standard demanded by some groups would cost so much that it could throw millions of people into poverty. He presented a study which showed that we might add one day to the life of the average person by getting tougher on clean air, but that poverty decreases lifespans by 7½ years.

Is it compassionate, Mr. Speaker, to vote for some bill because it does some microscopic good for the environment if in the process it destroys millions of jobs, drives up prices, and hurts the poor and working people? Is it compassionate to go overboard on the environment if it throws possibly millions into poverty?

Finally, Mr. Speaker, all I am saying is this: that both parties want to help people and make this Nation better. Sometimes we do that by voting for government programs. Today, with our huge out-of-control Federal Government, more frequently we help people by voting for less government.

AMERICA NEEDS A BALANCED APPROACH TO FIGHTING JUVENILE CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, I rise today to discuss the issue of juvenile justice in this country. Everyone knows that juvenile justice and juvenile crime is a growing concern in this country. But with the majority party, it seems that they cannot make up their mind on how they want to approach this issue.

Yesterday, in a bipartisan approach, we suspended the rules and we passed H.R. 1818, the Juvenile Crime Control and Delinquency Prevention Act, sponsored by the gentleman from Virginia [Mr. SCOTT], the gentleman from California [Mr. MARTINEZ], and the gentleman from California [Mr. RIGGS]. The bill reauthorized the Office of Juvenile Justice and Delinquency Prevention, and made several changes to that office to refocus the Federal effort to prevent juvenile crime before it occurs.

The bill contained four core requirements which States must comply with: deinstitutionalization of status offenders, separating juveniles from adults in prison, limiting the time that juveniles spend in adult facilities, and addressing efforts to reduce disproportionate minority confinement.

It is a solid bill, and I was proud to support the bill. The bill further emphasized prevention and intervention through local initiatives, through local programs and projects which will address concerns in the local community, not something mandated by the Federal Government. It is our hope that these programs will discourage dropouts from high schools, reduce school violence, and prevent suspensions and expulsions.

However, the bill failed to identify and appropriate money for this Federal effort to prevent juvenile crime. Yet earlier this year the majority party on basically a very partisan vote did appropriate $1.5 billion over the next 3 years in a juvenile justice bill that was named H.R. 3, which takes an entirely different approach to juvenile crime and juvenile offenders.

H.R. 3 that was passed in May rewards States that implement the most harsh new mandates against juvenile offenders. States would be required to adopt a controversial mandate that many children as young as 15 would be tried as adults. It requires automatic transfer of 14-year-old children to adult court, and prohibits judicial review of these juvenile transfers. It would reward these States with $1.5 billion to punish kids and to treat them as adults, something that ensures that more 15-year-old children will end up housed with convicted adult criminals and convicted adult felons, greatly increasing the chances of rape, abuse, and suicide in our prison system, and increasing their chances of committing violent crime sooner upon release.

Mr. Speaker, having been a law enforcement officer, and we have dealt with many law enforcement officers throughout this debate on juvenile justice in the last few months, prosecutors, judges, teachers, counselors, and parents all agree that there is another, better approach, a better way to prevent kids from even becoming criminals in the first place. Intervention and early prevention programs in schools and communities and recreation centers have proven to be the most effective way to prevent juveniles from getting involved in illicit behavior.

In communities that employ prevention programs, the juvenile crime rates have fallen. Since an aggressive prevention program went into effect in Boston, not a single juvenile murder has occurred there since July 1995. It is a system that works. Let the local communities decide, give them the flexibility to do their job, and we should seek to encourage the development of these prevention programs in every community across America.

In fact, the alternative bill to H.R. 3, the Democrat bill I sponsored is exactly the approach it takes. As the other body prepares to consider the juvenile justice bill and is currently working on it at this time, I urge them to look at the facts. When it comes to dealing with children, you get tough on crime by preventing criminal behavior, not by trying to lock up every juvenile offender.

On May 8, I offered, along with the majority of Democrats, a substitute to H.R. 3 which stated that over 60 percent of the funding should go to communities for their local prevention programs. Two hundred Members of this House voted for this substitute, rejecting H.R. 3, the majority party's punishment-only approach. We need a balanced approach to fighting juvenile crime. We need a bill that is tough and is smart.

Mr. Speaker, I just happened to receive in my office today this week's Time magazine. If Members look at the Time magazine this week, this debate that I just mentioned is highlighted in Time magazine starting on page 26, Teen Crime. ''Congress wants to crack down on juvenile offenders. That is H.R. 3, the majority party approach. But is throwing teens into adult courts with adult prisoners the best approach?''

As we go through it they cite the Boston case that we as Democrats relied on, and how to start a cease-fire to reduce juvenile crime to make people safe and secure in their communities and their homes.

Then, unfortunately they show what a tragedy happened in Michigan here in the past few weeks. The bottom line of these three articles was basically there is an approach for juvenile offenders. There is a smart choice and a substitute for H.R. 3 that is the best way to go.

IN SUPPORT OF THE HOUSE VERSION OF TAX RELIEF, MEDICARE IMPROVEMENTS, AND MEDICARE CONSUMER PROTECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise tonight to address a few issues with my colleagues; first, the tax cuts that have been discussed earlier this evening by the gentleman from Georgia [Mr. KINGSTON].

I think it is good to point out that in the charts that he showed, it was interesting to note that 75 percent of the tax cuts would go to families with incomes of $75,000 or less, and that every family would have a chance to be able to use one tax cut or the other, whether it is child tax credits, estate tax relief, education tax credits, and capital gains tax cuts, of course, to help create new jobs and savings. The last time we had such success was with the Kennedy and Reagan administrations.

Tonight, I also wanted to talk about how the House is on the move in the right direction on Medicare, and how we need to stop, therefore, the proposal within the Senate in the conference committee. The Senate has talked about raising Medicare's age from 65 to 67, to increase patient's copay for home care to $5 per visit, and to means-test Medicare.

From the perspective of the House, we want to make sure in the conference committee that the House version prevails, Mr. Speaker, because that will make sure that seniors who have paid into the system will, in fact, get the benefit of knowing at 65 they will have a Medicare that in fact will be a cost-effective program for them.

Currently many seniors, Mr. Speaker, who retire early, either voluntarily or forced, are uninsured. These seniors, while eligible for COBRA, often find themselves with a gap between the time COBRA ends and Medicare begins. By increasing the Medicare eligibility age, we can assure an increase in the number of uninsured seniors.

It also should be noted that the Medicare proposal from the House which is so positive includes voluntary choices for seniors with Medicare plus. It also provides for traditional fee-for-service Medicare, provider-sponsored organizations. It also includes medical savings accounts and preferred provider organizations.

The most important part of the new Medicare proposal, Mr. Speaker, has preventive services, a new package of health care benefits for our seniors. It includes, among other things, annual mammography screening, annual Pap smears, annual prostate cancer screening, colorectal cancer screening, diabetes self-management, annual vaccine outreach for pneumonia, and influenza. The bill includes these essential items to give seniors increased health care coverage when they need it most, before they become ill.

It also includes some very logical, tough, antifraud and abuse efforts. It is amazing for people to hear about this, but there is $30 billion a year in fraud, waste, and abuse in Medicare. If we can make sure that gets back to seniors from their health care, we will go a long way to making sure that Medicare is solvent not only for the next 10 years but beyond that, Mr. Speaker. That is a very important feature.

We can also reduce the paperwork costs of Medicare. Traditionally it has been about 12 percent. With electronic billing we can reduce that to 2 percent.

But some of the most important provisions of the bill make sure that we have consumer protection. The bill contains in the House Medicare version a wide-ranging series of changes of design to modernize Medicare's 30-year-old payment and health care delivery system. Primary among them are the new consumer protection. The modernization program requires that all Medicare Plus programs make medically necessary care available 7 days a week, 24 hours a day, and 365 days a year. It also makes sure that Medicare Plus plans have grievance and appeal mechanisms in place to protect beneficiary rights.

So I am very hopeful that the conference committee, they have received letters from a bipartisan group of House Members that have gone to the Speaker of the House, the gentleman

from Georgia, Mr. NEWT GINGRICH, and they are going as well to the minority leader, the gentleman from Missouri, Mr. GEPHARDT, to the majority leader, Mr. LOTT, in the Senate, and as well to the minority leader in the Senate, Mr. DASCHLE.

□ 2145

We believe that the House version is a positive one for seniors, the one that should pass. We know in fact that it is best because it will make sure that we do not have means testing. We stop the co-pay increase for home health care and we make sure that the Medicare age is not raised from 65 to 67. So all seniors in America will be protected.

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Massachusetts [Mr. DELAHUNT] is recognized for 5 minutes.

[Mr. DELAHUNT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. SCOTT] is recognized for 5 minutes.

[Mr. SCOTT. addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. LOFGREN] is recognized for 5 minutes.

[Ms. LOFGREN. addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. WATT] is recognized for 5 minutes.

[Mr. WATT of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE REPUBLICAN TAX PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Missouri [Mr. HULSHOF] is recognized for 60 minutes as the designee of the majority leader.

Mr. HULSHOF. Mr. Speaker, this week there is much discussion, there is much speculation about the negotiations that are ongoing between the President and congressional leaders in the House and Senate. Hanging in the balance, Mr. Speaker, are the prospects of a bipartisan balanced budget plan. Hanging in the balance are the prospects of staving off the impending bankruptcy for Medicare, our health care system for senior citizens. And hanging in the balance through these negotiations are the prospects for permanent tax relief for men and women all across this country, essentially whether or not we want to let moms and dads across this great land keep more of what they earn.

With the recent debate, Mr. Speaker, about tax relief centering more and more around detailed numbers and percentages and Treasury Department calculations, perhaps I should say Treasury Department miscalculations, it is easy to lose sight of what our tax relief package is all about, what it means to working families who have not had tax relief in nearly two decades.

I know that I am but a single voice crying out on behalf of hard-working men and women across this country, but I hope to include the pleas and the statements of those who came to Capitol Hill. Some working mothers in fact who came to Capitol Hill this month who quickly reminded us, gave us a reality check that tax relief is more than just abstract numbers. It is about take-home pay. It is about purchasing power. It is about freedom to make choices in raising a family.

For example, it is about Debra from Dale City, VA. Debra is the divorced mother of a 17-year-old, an 11-year-old and a 10-year-old. Keeping more of her money means being able to help her three children reach their dreams. The dream of Debra's college-bound daughter is to attend college and become a doctor. For Debra's middle daughter, she aspires to be a teacher. And although Debra is determined to help bring her daughters' dreams to fulfillment, it is not going to be an easy task.

Mr. Speaker, the House-passed version of the Taxpayer Relief Act a couple of weeks ago will make things a little bit easier for Debra and for her family. With the child and the education tax credits, for instance, Debra will get to keep more of what she earns, making it easier to send her kids to college and to fulfill their dreams. In fact, just with the child tax credit, the Republican version of the child tax credit, in calendar year 1998 Debra will get to keep $800 more of her own money next year and $1,000 more in the following years. She can save for her kids' education, putting money way in a dream savings account.

Our House plan also allows Debra to participate in education initiatives like the education credit for college deduction which helps defray the expenses, the out-of-pocket expenses for Debra's college age or college bound kids for tuition, for books and for fees.

That is what this tax relief is about. It is not about numbers; it is about real people. It is about Don and Carnetta from my home town of Columbia. Don and Carnetta are both in their senior years. Don recently retired from a career at Wal-Mart. Part of the compensation package that Don had during his career at Wal-Mart was that he was given shares of Wal-Mart stock as incentive to build for his pension, to put his nest egg away for he and Carnetta. He fervently hopes, anxiously is awaiting whether or not the President will sign our tax package into law because what it means to 2 million seniors that are in the 15-percent income tax bracket across this country is a capital gains cut from the 28-percent margin all the way down to 10 percent, if the President would enact and sign into law this much-needed relief effort. It is not about numbers. It is about people.

I happened to receive a letter in the last 2 weeks that I want to paraphrase just a bit, Mr. Speaker, if I can. It says, ''Dear Mr. Hulshof, I am a star-ranked scout in Troop 50. I will be a 7th grader at St. Peter's in Fulton, MO. I am 12 years old. I am in favor of the tax cut,'' says Michael, ''because if taxes are cut, people will have more money. When they have more money, they spend or invest more. Then if they spend more,'' Michael writes, ''more needs to be produced. This increased demand means more people are needed to produce and then employment goes up. Increased employment means people are working more and paying more taxes which increases revenue to the Government, which means fewer people collect entitlements from the government resulting in less expense to Government.''

Michael goes on to write, keep in mind, Mr. Speaker, Michael is a 7th grader, 12 years old at St. Peter's in Fulton, MO. Michael says, ''Every time I hear the Democrats or certain members of the press talk about tax cuts, they say, how will the Government pay for the tax cut? But they never ask how the employed taxpayers are going to pay for the tax increases. Thank you for all the hard work you do. Thanks for considering my input.'' Signed, Michael.

Well, Mr. Speaker, I think sometimes suffer ye unto the little children and out of the mouths of babes sometimes come pretty poignant points. I think Michael has somehow grasped something that we here in Washington from time to time forget. It is not our money. It is the American people's money. We are not giving it back to them. We are letting people keep it in the first place.

For instance, in my congressional district, in the 9th Congressional District of Missouri, if the President will sign into law the Republican-passed tax relief package, the child credit alone, there are 84,000 children in the 9th Congressional District of Missouri whose parents will qualify for the $500 per child tax credit. What that means is nearly $39 million get to stay in the 9th District of Missouri and do not have to be collected by the Government and sent here to Washington where oftentimes we spend it very unwisely. This is just one way that this tax relief package will help all Americans. It is not about numbers. It is about people.

I see my friend and colleague from Missouri, from the 7th Congressional District of Missouri, is in the well of the House.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. BLUNT].

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

I saw that same report, I think it was from the Heritage Foundation, about children in our districts. I was amazed that in the 7th District in southwest Missouri, the southwest corner of Missouri, 74,533 children, by that moment's count, and there are probably a few more children than that now that will benefit, would benefit, 74,533, over $34 million in one year alone will go back into our economy because of just the $500 per child tax credit. That does not count the other tax benefits in our economy and our district.

We do not understand, I think, how this process works as well as Michael, who you were referring to from St. Peter's at Fulton, a 7th grader who already understands that taking this money off of tax rolls may not reduce taxes because things happen in the economy when you let people keep their money. We constantly want to talk here in the Congress about giving people money, giving them a tax break. What we are really just doing is we are deciding not to take as much of their money. It is their money. They work for it.

We have an obligation as Members of Congress to do all we can to keep the money that working families have in their family checking account, in their family savings account, in their savings account for college, in their savings account to buy a home or buy a new car. We have an obligation to manage their money like they have to manage their money, where every penny has to count.

I think with this kind of new responsibility of leaving money with families, we are understanding again that they can spend their money on their behalf better than we can. Forty-one million children will benefit from the tax cut, the $500-per-child tax credit that the House has sent over to the Senate, 41 million children.

One of the things we did in our tax bill that I am particularly proud of is we expanded the children that would benefit. In the original package that came down from the President, you only got that tax credit until kids were 12. My children are beyond the range of this tax credit right now. They are 26 and 24 and 21. I do not recall that they got a whole lot less expensive when they moved from 12 to 13. In fact it might have been just the opposite. And we are covering millions more children than was originally proposed. Millions of families will benefit that would not have benefited otherwise.

Children born this year, between now and the time of their 18th birthday their family would have a $10,309 tax benefit to go toward college, to go toward expenses while they are growing up, $10,309 per child. You have got three kids in your family, that is $31,000 which you have over the life of those children between the time they are born and the time that they are 18, that you otherwise would not have, $31,000.

We heard earlier this evening here on the House floor about people who would get a benefit from this tax break. The tax break we have sent for the mother with a daughter who is 14, a son who is 16, she gets $1,000, who is working, she gets a $1,000 tax break. That is almost $100 a month. Under the President's proposal we want to remember that that mother may possibly, that single mother with the 14-year-old and the 16-year-old and all kinds of expenses and all kinds of life stress got no break because those kids were over 12. And so this is a significant thing for American families.

The first tax cut in 16 years. How great that the first tax cut in 16 years would have such a focus on families. We have a lot of ways in our country to say families either are not important or they are important. And in our welfare policies and our tax policies we really can take some massive steps to say again to Americans, young Americans and Americans who already have families, that this Government and this country value families.

We think families are important, and that is why the family tax credit for kids up to their 18th birthday and then help for college beyond that is such a focal point of what we are doing here. I want to say to the gentleman, I think this focus on families is such an incredibly important focus, this first tax break in 16 years. We are going to do better than that. If we did not do better than that, this would be the last tax break, based on our history, for that child born this year who is going to save $10,000 in money they send to the Government by the time they are 18. If we go back to the last 16 years of history, they would not have any other tax relief but this.

We are going to be looking I think in the future for what we can do to help families in greater ways, but a cornerstone of this Republican tax package that we got Democrats in the House voting for, too, so it is really a bipartisan tax package that we have sent to the Senate, the cornerstone is a cornerstone that says families matter and we are not going to take money from families because we know families can spend their money better than the Government can spend money on their behalf.

Mr. HULSHOF. Mr. Speaker, I appreciate the gentleman's comments. The fact is that even way back in the early part of this Congress, the first couple months as the negotiations were just beginning, as they were trying to hammer out this budget proposal, to establish the parameters of the balanced budget agreement, the numbers we were provided, an $85 billion net tax cut, a $125 billion gross tax relief over 5 years, with that amount of money then we were required in our committee on the Committee on Ways and Means then to fashion some sort of tax relief. This child credit is an income tax credit.

I know there has been a lot of discussion about whether or not we should expand this income tax credit, that is a credit for those families that pay Federal income taxes, whether or not we should expand that income tax credit to other families who pay no income taxes. I know the gentleman from South Dakota who joins us has been very outspoken on this point.

Mr. Speaker, I yield to the gentleman from South Dakota {Mr. THUNE].

Mr. THUNE. Mr. Speaker, I thank the gentleman from Missouri. I would simply say that in the context of this debate this evening, that this is in basketball what you would think of as the great three point play. It is historic. It is exciting. It is a win-win for everybody.

When you look at what is happening, for the first time in 30 years we are balancing the country's budget. For the first time in 16 years we are bringing tax relief to working men and women in America. And for the next 10 years we are restoring and saving the Medicare system, an important program on which many people in this country rely. Leave it to the liberals, leave it to liberals to try and rain on the parade.

□ 2200

But this is historic, and the people of this country should be jumping up and down for what we have accomplished here in the last few weeks and that we are in the midst of trying to bring to finality in the next couple of weeks. It is good for South Dakota, it is for America, and the folks the gentleman represents in Missouri.

And when we look at all the things being said on the other side of the aisle, they have been hacking away again at the old same stilted and stale class warfare argument that has been drug out time and time again to create this perception of a bunch of haves and have-nots. But that is not what this is about. This debate is about improving the quality of life for all Americans.

Now, it has to be an honest debate, and the problem we are running into I think in this Chamber, as I have listened to the debate since this subject got underway, is that we are not having an honest debate because some people are using different numbers, phony bookkeeping.

We have heard a lot of claims about what the Treasury says about income, and our friend from Colorado, who is here, is going to I think point out very quickly here how we can find out if we are rich. But the Treasury has been suggesting that this is skewed towards people in the upper income levels because they have used a calculation of income which is very clearly phony.

I want to point out how they get at that, because the Treasury Department says there are 21.2 million families in America who make more than $75,000. Now that is double, double the number

that the census department uses. They have doubled the number. The reason is they add in all kinds of things, like pension funds, even unreported income.

They assume that there are dishonest people out there who are not reporting income. So when they factor in their calculation for income, they include unreported income.

But the biggest winner of all is imputed rental income. Think about this. For those of us who live in houses, the last time that I talked to somebody when they paid their rent, they thought of it as an expense, not as income. The Treasury Department is suggesting that people who own a home, if they rented it out, would have income from that, and so they factor that in as part of their income.

Now, what that tells me is if we want to be really, really rich, we should just keep buying a bigger house and the Treasury will impute more and more income to us.

So they are using this false calculation on income to skew these numbers and to skew this debate and to create the discussion of haves and the have-nots and class warfare. I think that is counterproductive to where we need to go in terms of the policy in this country.

Mr. HULSHOF. Mr. Speaker, reclaiming my time for a second on that point. I find it somewhat ironic that the administration, through this debate and through these negotiations, this conference to balance the budget, to save Medicare and provide tax relief, they will accept the Census Bureau's numbers of adjusted gross income when it comes to the child credit, that is for phasing out the child credit for the upper income families. They will also accept the Census Bureau's numbers when it comes to those individuals that are seeking a modest reduction in capital gains. They are willing to accept and embrace that number, that very bottom line number when it comes to who is unable to qualify. But then when it comes to this distribution table, and when they start to skew the results with who is benefiting from this tax package as a whole, then suddenly they push away the adjusted gross income, the 1040 number that the gentleman and I fill out on our tax forms, and suddenly go to this family economic income model.

Mr. THUNE. The gentleman is exactly right. It is a classic case of people trying to use the numbers to get the result that they want to get. When it is convenient for them, they will use the census numbers, yes.

The point simply is when we hear this debate, and the American people who are listening to this debate about tax relief, it is important for them to know that this sort of shenanigan is going on and that this phony bookkeeping, this funky accounting system being used by the Treasury Department is totally unfair in terms of its characterization of people in this country and how the tax relief is distributed. I think that that is a point that needs to be made over and over and over again.

But I would simply say this evening that we are moving in the right direction. We are winning this debate. And my colleagues who are on the floor today, most of them came here like I did, because we were interested in things like balancing the budget, lowering taxes and making government smaller, and saving Medicare. Look at how far we have moved this administration.

The reason the President's approval ratings are where they are today is because he is operating on our agenda. The things he is doing, talking about balancing the budget and lowering taxes, are things that we believe in and are values that we share.

I think it does come down to a basic fundamental value that all of us here in the Chamber tonight share, and that is this, that we believe that individuals are in a better position to make decisions about their future when given the freedom and the opportunity to do so than is the government.

We believe as a fundamental premise as well that bigger is not necessarily better when it comes to government. We want a government that is responsive and effective, and we also want to make sure the people in this country who work hard get to keep more of what they earn.

South Dakota is filled with a lot of hard-working people. We have a lot of farmers, small business people. And as I travel, and I put on 2,200 miles in South Dakota over the 4th of July recess driving across my State, I never once heard somebody say this is about the rich and the poor, this is a class warfare argument that is trying to be used by their side. Their questions are very simple. They are, are we going to pass estate tax relief so we can keep the family farm; are we going to pass estate tax relief so we can keep the small business in the family? Are we going to do something in the area of capital gains for people who are in the farming business and small businesses, the people who comprise the rich heritage that is my State of South Dakota?

Those are the kinds of things that they are interested in, and those are the kinds of things that we are interested in trying to achieve for them so that we can encourage the very best in our society; things like self-sufficiency and independence and family and thrift and hard work.

We have a work ethic in South Dakota. People understand when they work hard they will see the fruits of their investment, and they do not want the heavy hands of government interfering and taking that away from them. So this debate is really about who do we want to control our future; do we want that control in the hands of individuals and families and people in their living rooms and on Main Street making their decisions about their family farms, or do we want the government to do it?

That, on a fundamental level, is what we are talking about in this debate, and that is why I believe we are winning the debate because what we are saying is resonating with the American people.

Mr. HULSHOF. I appreciate the gentleman's comments. And before we leave the part of the discussion about how the administration, specifically the U.S. Treasury, calculates one's income to determine whether one is well off or not, I see my friend from Colorado is here. There is some chart next to him, and I would be happy to yield to the gentleman from Colorado, [Mr. BOB SCHAFFER].

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman for yielding to me.

This chart on my right is one I have used on the floor here on a number of occasions. I usually use it in a way that pokes fun at this whole notion of the Treasury Department inflating the actual income of the American family so that our tax cuts for middle-class families somehow appear to be tax cuts for the rich.

That is the claim that the Democrats frequently make here on the floor. It is the claim we see coming out of the White House. So I made this chart really to show the absurdity, I think, of this family economic income definition that they use. And I made this look like one of those cheesy get-rich-quick ads, or get-rich-quick schemes. And it simply says that we can learn the amazing secrets of the White House and get rich quick if we call the Treasury Department now, and the number, and this really is the Treasury Department's phone number, 202–622–0120. And I tell folks that operators are standing by.

Well, the reason I ask people to do this is because when I tell people back home how the Treasury Department has manipulated the numbers to make a $45,000 a year family, a family earning $45,000 a year all of a sudden become rich, in the rich category, people do not believe it. I walk them through the numbers and I ask them to call this number to find out how the Federal Government, the Democrats, the liberals here in Washington, believe that an average family gets rich quick overnight only when we talk about tax relief here on the floor of the House.

The gentleman from South Dakota mentioned the biggest way they do this, and let me just kind of walk everybody through this for a moment.

If we take an average family making, let us say, for example, $45,000 a year, this is their gross income. This is before they take out all of their payroll taxes and other sorts of deductions that they have on their paycheck. And they add to this something called imputed rent, that the gentleman from South Dakota mentioned.

Now, imputed rent is not anything that we receive. It is not cash we have. It is not really income tax. What imputed rent is is the rent that an individual could receive if they moved out

of their house and rented their home to someone else.

Now, the Treasury Department really did not consider where an individual might live, whether in a tent, in the park, or whether they would move into the Treasury Department offices. I do not know where they would go, but they assume that the rent that the individuals could earn on their homes is part of their income.

So we can see for a family of $45,000 that imputed rent can be as high as $12,000 a year annually added to their rent. So we can see how we are taking an average family, that really is the object of our tax relief package, and slowly moving them up over the $75,000, $76,000, $77,000 range, because in addition to imputed rent, the Treasury Department also adds things like the benefits that an individual may receive at work; $600 for the parking space that they may have in the parking lot outside of their office building is also added to imputed rent.

They include several other things. They assume, as the gentleman from South Dakota mentioned, that we are just simply not reporting all of our income; that as Americans we somehow lie every year when we report our income to the Federal Government and comply with the tax law. So they just throw in a few thousand dollars to the family economic income to further bump the income up for the purposes of this debate here on the floor.

They also add the income that a child might earn in a summer job or the job that they may have after school. They figure that that has some kind of value to the average family. So they throw that in.

There are several other things. The anticipated income that an individual may receive on capital gains. Not for the capital gains that an individual achieves in one year, but for those assets that they might have and sell some year off in the future. They bring that to today and throw that into the family economic income.

This is how they bump the family income up so that they say the average American family is in fact rich. And since the average American family are the beneficiaries of our tax package, that is how they make the wild claim that our tax relief package is tax cuts for the rich.

Well, this is a bunch of baloney over here, this chart to the right. But I do urge people to call the Treasury Department at 202–622–0120 and ask them for the rundown on this calculation. It is called family economic income. That is the dirty little secret of the Democrats here in Washington. And I urge Americans to find out all about it and ask how it might apply to them.

I would point out that the fact of the matter is that American families have been overtaxed for too long. Back in 1950, this was the tax bite out of the American family budget. Six percent of our family budgets went to taxes in 1950. This is when my parents were starting out and trying to make a go of it as a brand-new family.

Well, over here on the right we can see that in 1994, the Federal tax burden on the family budget was 23 percent. Now, that is just the Federal burden. We also pay State taxes and we pay local taxes and all sorts of other taxes that go along with that. In 1995, the total tax burden was 39 percent. Almost 40 percent of a family's annual budget is confiscated in taxes of one sort or another.

This is what we really care about here in Washington as a Republican Party, and it is the object of our tax plan, and this is what we are trying to address. We are trying to get back to the days of 1950, when the tax burden was much, much less, much, much friendlier, and much more oriented toward liberty and freedom in our great country.

Mr. HULSHOF. If the gentleman would leave that chart up, the one entitled ''Family Tax Burden.'' I had a question at one time during a radio town hall meeting regarding tax relief and was taking a variety of calls. I mentioned that the average family in America today pays more in taxes than they do for food and for clothing and for shelter combined. And the gentleman on the phone asked me how is it that I could make this claim. And as the gentleman mentioned, the total tax burden is nearly 40 percent, 40 cents out of every dollar goes to the government.

Think about a typical day. When we wake up in the morning and grab our first cup of coffee, we pay the sales tax; when we drive to work, we pay a gas tax; when we get to work, we pay an income tax; when we flip on a light, we pay an electricity tax; when we flush the toilet, we pay a water tax; if we have cable TV, we pay a cable tax; if we drive home and we happen to have one of these homes the gentleman was talking about with imputed rent, we pay property tax. As the gentleman from South Dakota mentioned, when we die, the government is there taking up to 55 percent of the family farm or family business in death taxes.

Now, that is how it is that clearly we are paying much more in taxes than we should. The problem is not that we do not tax enough. The fact is that we here in Washington spend too much, and we are trying not to give back, but letting people keep more of their money.

Mr. BLUNT. If the gentleman would yield before we get away from the whole topic of how we calculate wealth in Washington. This is not the first time we have done this this way.

□ 2215

The first time was 1993, when supposedly the biggest tax increase in the history of the country was only a tax increase on the very wealthy. Working Americans all over the country found out suddenly how wealthy they were when this massive tax increase hit them, hit their paychecks, this wealth that the gentleman from Colorado [Mr. BOB SCHAFFER] has talked about.

I call it stealth wealth because it is so stealthy they do not even know they got it. It is out there somewhere and they do not know it is there, they do not know they have that money to spend, but suddenly they become very rich Americans. And, in fact, if we look at the Treasury Department calculations, the kind of calculations that were used in 1993, if we look at those calculations, more than 50 percent of the people who have a school teacher in the family or an auto mechanic in the family or a construction worker in the family are among the very wealthy.

Now, if we want, if we will accept that as our definition, we very well may be having a tax increase for the wealthy if the wealthy includes school teachers and auto mechanics and construction workers. Not only this imputed value of their home, but if they have got a health care benefit, any benefit that they have got that their employer gives them, the capital gains calculated back over the time that they might average those out over 20 years.

I got to tell my colleagues, that does not help their budget much if they are the janitor at school and they mess around with a rental house every Saturday of their life to try to hold their money together, and suddenly someone says really this rental house some day is going to be worth, they paid $30,000 for it, 20 years from now with inflation it is probably worth $60,000. We need to take that $60,000 and divide it back up over these 20 years, and really they have got another $3,000 or so a year of wealth right there that they do not know anything about. All they know is that they are under that house on the coldest day of the winter trying to thaw out the water pipe.

And those are people that pay capital gains tax, another element of this tax. This is not stealth wealth for them. It is trying to hold the money together in an economy that has had too much inflation. It is trying to make something for their children that they did not have for themselves.

Forty percent of the capital gains taxes in America are made by families who have a total family income of less than $50,000. Now under the Treasury Department calculations they may have a total family income of $80,000. I do not know. But all they know is their checks add up, before the taxes are taken out, to $50,000. Those are the families that pay 40 percent of the capital gains taxes. They have absolutely no mechanism to avoid it. They do not have expensive accountants or lawyers. This is a tax break for them, as well.

The taxes that we talk about are taxes that really give a break to work and productivity and families. And what should we be encouraging in America? Work, productivity and families. And we ought to be at least talking about the right numbers. We ought

to be talking about numbers that when we ask our neighbors, or maybe not our neighbors, maybe our son, maybe somebody that would tell us what they are making, probably should be willing to talk about that when we say, ''What do you make?'' they tell us that that is the number that we would look at in Washington.

Instead we come up with some number that nobody in their wildest mind would believe, and then we say and that means that this is a tax break for the wealthy because they are a school teacher and they are married to an auto mechanic or they are an auto mechanic and they are married to a construction worker, and they are now one of the wealthy Americans according to the way we calculate in Washington.

They do not calculate income that way anywhere else in America, maybe not anywhere else in the world. And we are trying to fool the hard-working people of America into believing that everybody else who works beside them at the job is rich. Because they know they are not rich. This stealth wealth issue is an issue we have to deal with. But if we only would deal with numbers that Americans have confidence in, they would have more confidence in the Congress.

Mr. THUNE. If the gentleman would yield, that is a wonderful point, and he did I think an excellent job in elaborating on why people are so confused about this argument. I think it is totally unfair to the people of this country, most of whom are going to benefit from this, to try and confuse the issue.

What happens is the other side is losing. And, so, in being crushed, in losing, they are dragging out the class warfare thing again. It is not fair when we start talking about the types of things that we have alluded to, and the gentleman from Colorado [Mr. BOB SCHAFFER] and his numbers. If my colleagues want to find out all those things and what they are, call the Treasury Department.

But we cannot have an honest debate on this issue unless we are dealing with the same set of numbers. And we are not doing that, and it is not fair to the people of this country.

One other point I would like to make before we leave this subject, because again the way this is being pitted, it is playing this tax relief for the wealthy type thing, which is an absolute misnomer. We just talked about some statistics earlier this evening with respect to family tax credit.

The people in this country who are eligible for it, and by the way, there are 136,000 kids in the State of South Dakota who are eligible and will qualify for the family tax credit, the families who qualified, are eligible, there will be 1.9 million, almost 2 million taxpayers in this country will have their income tax liability entirely wiped out simply because of the family tax credit.

These are hard-working people on the lower end of the income scale who are paying income taxes today, who because of the family tax credit are going to have their tax liability wiped out, almost 2 million people in this country. That is what we are talking about here. We are talking about helping people who are working hard, trying to make a living, people like in my State of South Dakota when I think, given the opportunity to understand the arguments that are being made here and understand clearly the types of numbers that are being used and the way that they are being inflated by the Treasury Department, when people understand what the issues are, they are hugely in favor of what we are doing. They are on our side.

We are on the right track and moving in the right direction. And hopefully, again, we have the opportunity and in future years will be able to come back again and say, ''We want you to keep even more of what you earned,'' because Washington, DC does not make very good decisions when it comes to spending money, and it is proven by the way they calculate income.

In this country, and only in a country where we have $5½ trillion in debt, and we are talking about different degrees, can we double someone's income just like that out of thin air; and that is what is happening.

I yield back.

Mr. HULSHOF. If the gentleman would yield, because I think there is also a lot of misinformation being distributed, originating from right here in the well of this House, about the $500 per child income tax credit and whether or not that income tax credit should be applied to those individuals in our country who are working that receive an earned income credit but that pay no income tax liability.

If we could take just a minute to explain the difference, because this is exceedingly important and I think the issues are being framed up, even as we speak, among the conferees. This is an extremely important debate.

The income tax credit, as my colleagues know, was first enacted back in 1975; and the purpose of the earned income credit was to provide public assistance in the form of an income supplement to low-income workers, something that the Republican side has continued to support.

In fact, the earned income credit I think has been modified and expanded. Back in 1993, the earned income credit was expanded even more. It has been indexed to inflation. We cannot get capital assets or estates indexed to inflation, but we indexed the earned income credit for low-income working families to inflation to make sure that their pay checks would keep pace with the rate of inflation.

So we got nearly 19 million Americans that have qualified and will qualify for the earned income credit, almost $28 billion in public assistance going to individuals that will not have to pay Federal income taxes. In fact, I think the gentleman pointed out a couple weeks ago when we were discussing this issue, 20 percent of the earned income costs actually are a refund of income tax that are paid by low-income people, but 80 percent of the $28 billion, 80 percent is in the form of supplemental public assistance that goes to working low income families. Eighty percent is a cash assistance program in excess of Federal taxes paid.

Now the other side talks about, well, what about the payroll taxes and what about taxes going to social security and to Medicare? And the fact is, when each of us at all ends of the income spectrum are working and paying payroll tax, that is for a future benefit. We are investing in social security, we are investing in Medicare that we are hoping to save for future generations.

So the fact is that we have to decide, within the very narrow parameters that we were given by the White House and congressional leaders, where are we going to target our tax relief? And right now we are trying to focus our tax relief on middle-income families with kids that are trying to make ends meet, that this tax burden, as the gentleman from Colorado, Mr. BOB SCHAFFER, mentioned, that are sending nearly 40 cents out of every dollar here to Washington. Those are the people that we are trying to aim and rifleshot this tax relief to.

Mr. KINGSTON. If the gentleman would yield, I know we were talking about this earlier, and I wanted to give an example of a woman, say Susan, she makes $20,000 a year. She has a 14-year-old and a 16-year-old.

Now under the Republican plan she would be getting $1,000 tax credit for those children. Under the Clinton plan she would get zero. But who would get the money instead is somebody who is not paying income taxes. And that person who is not paying income taxes may be already receiving public housing assistance, free health care for the kids, Medicaid, food stamps for the family, WIC for the children, supplemental security income, possibly the earned income tax credit, public assistance/welfare benefits, worth anywhere from $10 to $18 an hour. In addition to all those public assistance benefits, under the Clinton liberal Democrat plan they would get another $1,000 check because of having two children or children under 12 years old. And it is not punitive to say let us give the income tax credit to those who earn income, rather than let us just make it one more welfare benefit.

It was interesting, in the Washington Times today, it did say on the front page, Clinton admits that it is an expansion of welfare. So I think my colleague raised a good point. This tax relief proposal, the intent of it is not to expand welfare. The intent of it is to give tax relief to middle-income Americans.

Mr. HULSHOF. If the gentleman would yield, one additional point, and I think it is dead on with what the gentleman says.

One of the subcommittees that I serve on is the Subcommittee on Oversight of the Committee on Ways and Means, and we recently had testimony from the IRS, the Internal Revenue Service, about the earned income credit. Unfortunately, the earned income credit is rife with fraud and waste and abuse.

In fact, the IRS even estimates that the rate of fraud and error was over 20 percent. Essentially, out of every $5 then in the earned income credit that IRS that the Federal Government was giving to these families, $1 out of every $5 should not have been paid out because this error rate is so extremely high due to in some instances to fraudulent reporting but some instances just error in reporting.

The question I have is, given this high level of fraud and error rate found by the IRS, is it wise at this point to expand, to seek an expansion of this earned income practice until we can at least get a handle on or solution to the fraud and the waste and abuse in this program?

I yield to the gentleman from South Dakota [Mr. THUNE].

Mr. THUNE. We had this discussion on the floor before, as my colleagues know, and I think that the point that my colleague made earlier, 80 percent of that $28 billion is going out not in the form of a credit against taxes that are currently being paid but as a government check. The question that we are faced with, I think, in terms of this debate is whether or not we want to add to that government check $500 per child.

Now we talked a lot about statistics in this whole debate, and I would again mention that 75 plus, 76 percent of the tax relief in this proposal goes to people who are, families who are making less than $75,000. Now just by comparison, the taxes that are currently being paid in America today, 37 percent of the tax burden, the taxes being paid, are being paid by people making less than $75,000, and yet we are giving 76 percent of the tax relief to that group of people.

This is very targeted toward hard-working men and women, middle-class Americans in this country, and families. Sixty-three percent of the tax burden in America, according to IRS figures, is paid by people who are making more than $75,000, and yet, under our proposal, they would get somewhere in the neighborhood of 24 percent of the tax relief.

□ 2230

We look at who is paying the taxes today, who gets the relief and I think again we are faced with this question as to whether or not it makes sense, fiscal sense, to the taxpayers of this country for people who are already receiving 80 percent of the $28 billion in earned income credit going as a payment to people who are not currently paying income taxes. Do we add on to that payment $500 per child?

I think what we have said in our plan is that we want to apply the tax relief to people who are paying income taxes, and particularly given what the gentleman has just mentioned about the amount of fraud in the EITC. The earned income tax credit program is a program that is seriously in need of reform. I think it would be in our best interests and in the taxpayers' best interests to reform that program before we ever look at adding a $500-per-child tax credit.

Mr. BOB SCHAFFER of Colorado. This really defines the classic debate that we see here in Washington or the classic differences, I should say, between Democrats and Republicans, or liberals and conservatives.

It is the difference between the entitlement mentality that the Democrats fight for every day here, which if one is a Democrat makes perfect sense to them, versus our model of encouraging honest hard work, which if one is a conservative or a Republican, that of course makes sense to us. Because on one hand what the Clinton administration is proposing is within that entitlement mentality, that entitlement framework, where we just send cash. The cash actually comes to Washington and it is redistributed by politicians here in Washington. We take from some families, we take that cash and give it to the charity of the government's choice, which in this case would be the individuals who would qualify under the Clinton entitlement tax credit. Again, contrasting that with our model which suggests that the harder you work, the more you contribute to our economy, the more you are willing to try to work hard to strive for self-sufficiency and provide for your family, the more we want to encourage you. We want to help that. We want to take less away from you. We want to take less cash out of your family budget and allow you to keep it, not just so you can spend it on things, but also so you can be charitable.

This is the point that I think is frequently missed here. President Kennedy and President Reagan and many Presidents before that have shown us very directly that when you in fact reduce the tax burden on American families, charitable giving continues to climb. In fact, under the Reagan administration, charitable giving reached an all-time high. It was not until we undid the Reagan tax cuts under the Bush administration, and even taxed families more under the Clinton administration, that we saw charitable contributions begin to decline. These dollars, allowing families to keep more of their cash, to keep that cash within their family budget for their own discretion under their own judgment, to put toward their children, their schools, their communities, their churches, their synagogues, the charities of their choice is far better, I believe, and we all believe, than the liberal Democrat model of the entitlement mentality which suggests that everyone should send their cash to Washington and politicians here will spend it on the charity of the government's choice.

Mr. BLUNT. I have got a chart here that follows up on what the gentleman from South Dakota [Mr. THUNE] was saying and the gentleman from Colorado, Mr. BOB SCHAFFER, was talking about that shows exactly where these tax cuts are distributed. This is your income on this side. Under $20,000, almost 5 percent of the tax breaks are for those taxpayers. Between 20,000 and $75,000, almost 72 percent. Over 76 percent of the tax breaks are for people that make less than $75,000. We believe that to be a real add-your-paycheck-up figure, add your check stub up and see what you are making.

When families think about that, where I am from, $75,000 is still quite a bit of money. But if somebody in your family is making $2,000 a month and somebody else is making $41,000 a year, you are at $65,000 in your family income. This is a family income. This is your total family income. Seventy-six percent of the tax benefits here are for people who make less than $75,000, 5 percent are for people who make less than $20,000. These are real numbers. These numbers count.

As the gentleman from South Dakota [Mr. THUNE] has pointed out, the tax breaks are very much in disproportion in terms of the taxes being paid today, but they are in proportion to what the Members of this Congress think ought to happen right now to make American families work.

The gentleman from Missouri [Mr. HULSHOF] has talked about from the minute the alarm clock goes off until you set it again that night, you are paying somebody some kind of taxes. We are saying that is too much. We are going to have conservative Democrats, we are going to have Republicans voting again for this issue if we get to vote on this kind of issue again. Certainly we had those kind of votes when the Republican majority, helped by conservative Democrats, sent this tax bill over to the Senate.

Mr. HULSHOF. I think a point that needs to be made regarding the numbers on the chart that the gentleman from Missouri [Mr. BLUNT] has before him is that these numbers, this is not sham accounting. This is not cooking the books, as the gentleman from Colorado, Mr. BOB SCHAFFER, talked about the Treasury likes to do with this nebulous concept called family economic income. These numbers have come from the Joint Committee on Taxation, which is a bipartisan group that takes the effects, the true effects of any tax law and determines what is going to be the effect.

These numbers are what will happen over the next 5 years if the President will sign into law the measure, the tax relief measure that we have passed here in the House by an overwhelming majority. These numbers are good numbers. They are solid numbers of the Joint Tax Committee.

It might even be that those who come after us this evening, after our time is up, as it draws to a close, will talk about, well, 10 years from now these Republican tax cuts are going to explode the deficit, are suddenly going to balloon the deficit, and use these terms. I would challenge anybody that makes these spurious arguments. It is difficult enough for us to try to project a balanced budget plan for the next 5 years and to try to fashion some modest tax relief for the next 5 years. Certainly when we start looking in a crystal ball and predicting the future of what is going to happen 10 years down the road, I just think it is somewhat disingenuous to make an argument that these tax proposals in the next 10 years or in the next 15 years are going to do this or do that.

I do not think this House, if we look at its track record, those that have been in control of this House, I do not think necessarily that we can go to the bank, so to speak, on the numbers of the predictions that previous Congresses have had regarding the economic forecasts.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to point out for one minute, before we close here, I just want to reiterate what has been said over and over again, and I do not think we can make the point too often, that the real numbers that we have been working with and that we rely on show us that 76 percent of the tax relief that the Republicans are providing go to families earning between $20,000 a year and $75,000 a year. Again, that is 76 percent.

For those people who want to find out the real numbers for what the impact of this tax plan is going to be on their families, the Republican Party has provided a Web site that I would encourage people to visit. The address is right here. It is hillsource.house.gov. You can call there or visit us here. It is a GOP tax calculator. You impute your income, and the service here will help figure out what the impact on your family will be once this tax package is agreed to, is signed by the President.

The reason we do this is because we are very proud of it. We are convinced that when real families make contact with us and figure this out for themselves and apply our tax relief package to their family income, their average family income, they will see a dramatic reduction in the amount of cash which the Federal Government confiscates from your family budget. For that reason, we really encourage people to call.

This is a winning strategy for us as Republicans. The Democrats are scared to death because they know when the American families realize that this really does affect them and helps them, that it is to our advantage politically but, moreover, economically and for the country. That is what we care about most. Please visit us. We would love to show how our relief package is going to help you.

Mr. THUNE. I notice the gentleman made the comment there as he was pointing that out, that you impute your income. I was wondering if that was just a slip.

Mr. BOB SCHAFFER of Colorado. That was a slip of the tongue, right. You compute your income.

Mr. THUNE. I am glad to hear that. You input your income and it will give you the real number, not the imputed number.

Mr. BOB SCHAFFER of Colorado. Right.

Mr. BLUNT. The other thing to remember here, too, is that as hard as we have worked on that and as much debate as we have had about the dangers of giving this money back to the American families and the American people, we are only managing to give back in this tax cut a third, one-third, of the dollars that we increased taxes by in 1993, the biggest tax increase in the history of the country. I do not recall nearly this much concern in the Congress about taking three times as much money away from the American people as now we have letting them keep a third of their money.

We hear about giving them money, giving them a tax break. We are just again letting them keep their money, and still we have got a long way to go just to get the tax burden, the Federal tax burden back to where it was in 1993.

This is the first step, it is a big step, but I just remind people of the country who are thinking about this debate, how much debate did you really hear in 1993 as that big tax bill passed about how much money we were taking away from Americans, or whether we were going to explode the deficit at some mythical point in the future or what was going to happen? Were we going to explode the American family at some mythical point in the future, at a time when we were taking three times this much money away?

We are working very hard, I think we have taken a very important first step. We are just giving a third of that tax cut that is in very, very recent memory back to the people and the families of the country.

Mr. THUNE. I would just add because we are coming to a close here, but I am proud to be a part of this effort. I think most of us, I know our colleagues in our freshman class, the people with whom we joined the Congress, came here for a specific reason. It was because we believe profoundly and fundamentally that the people in this country, if given the freedom and the opportunity to make decisions that affect their lives, will do a better job than the government will. It is all about allowing people to keep more of what they earn, allowing government to become smaller and allowing people to be able to do more because government is doing less.

The gentleman from Colorado [Mr. BOB SCHAFFER] very aptly pointed out that when people have more of what they earn, they are willing to contribute more into their communities. That again is something that we want to encourage in this country because we have fostered a culture that has become very dependent upon government. We have an expectation in this country that government will do all things for you. That is, I think, a mentality that we need to get away from. I believe that this debate is moving us in that direction.

I would just make one point in closing, because we look at the breadth of this thing and the many component parts of it. In lowering the taxes on saving and job creation, investment, the capital gains tax, I had people when I was in my State last week ask me, when are you going to do something in capital gains; we want to sell the farm but we cannot afford to do it.

You look at the estate tax, the death tax. We believe that people in this country, when they die, should not have to see the undertaker and the IRS at the same time. Those are just fundamental values. Those are things that we stand for and believe in.

I am delighted to be a part of this effort and a part of this class and the commitment that we have to accomplishing the things that are good for the future of this country, for my kids and for the kids and grandkids in South Dakota and throughout America.

Mr. HULSHOF. Mr. Speaker, I appreciate my colleagues joining me this evening. I appreciate very much their eloquence and the sincerity with which we have approached this debate. Again, because of the parameters of the budget agreement, we are trying to focus tax relief, income tax relief to those families who pay income taxes. Certainly we want to help those on the lower income scales, to help pull themselves up; but because of the earned income credit, and especially because of the disturbing news from the IRS about the fraudulent rate or the error rate, I should say, regarding the earned income credit, the fact that of the $28 billion that nearly $6 billion next year will be wasted and paid out to individuals that perhaps do not qualify or who fraudulently apply for the earned income credit, again my question to those on the other side is, is this the time for us to be expanding that credit? Because of the parameters of the budget agreement, should we not be looking to those individuals that are paying more in taxes than for food and for clothing and for shelter combined?

Again, Mr. Speaker as our time is drawing to a close, this is more than about numbers, this is about choices. It is about people. We want men and women across this country to be able to earn more so that they can keep more, to do more. It is about improving the quality of life, as the gentleman from Colorado [Mr. BOB SCHAFFER] mentioned, as the gentleman from Missouri [Mr. BLUNT] mentioned, as the gentleman from South Dakota [Mr. THUNE] mentioned. The fact is that

many couples right now, in order to make ends meet, have no other choice than to have both spouses working in order to put food on the table and a roof overhead.

□ 2245

We believe, the newly elected Members on the Republican side believe, that taxpayers should reap the rewards of their efforts and our efforts to shrink the size of the Federal Government. As we force Washington to balance its books, and as we hold government programs like the earned income credit accountable, and as we shape and force a smaller, smarter, more effective government, Washington does not need as much of the American people's money. The money should stay in the pockets of hard-working men and women across this country, not into this bloated bureaucracy or into any schemes to redistribute income. It is the American people's money. They have earned it, they should keep more of it. That is what this tax debate is all about. That is why it is so important.

THE TAX CUT DEBATE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I wanted to start out this evening by pointing out that I believe most Americans now realize that the Republican tax cut strongly favor the rich, and when I hear my colleagues on the Republican side of the aisle constantly try to say that that is not true, I think it is because they realize that the word is getting out that the average American understands that this Republican tax plan is basically favoring the rich, and the media, the newspapers, are obviously making that point as well because they understand it.

In fact, two-thirds of the Republican tax cuts in the House bill go to households with incomes of more than $100,000, and I believe it is a disgrace that those Americans in the bottom 40 percent of the income; in other words, these are still working Americans paying taxes, essentially get nothing. The Republican tax scheme would deny the child tax credit to taxpaying working families but give big business and their country club buddies a tax break windfall.

Now I listened to what some of my colleagues on the Republican side said tonight in the last hour, and it was really interesting because basically what they were saying is that the more money you make, the bigger tax cut you should get, and they short of justify this by suggesting that the harder you work the more you earn; in other words, somehow that people who earn more work harder.

The problem is that is simply not true. Many middle-income people work harder than wealthy people. Some wealthy people do not work at all. They have just basically inherited their wealth in some cases. And what the Democrats are saying is that middle-income families should get the largest share of the tax cuts because they need it the most, and we have a limited amount of money to give back in tax relief because I would remind my colleagues on the other side that our basic goal with the budget bill is to eliminate the deficit.

So why should we not give the tax cuts to middle income working families primarily? That is all the Democrats are essentially saying. We put forth a plan basically that would truly benefit middle-income families. We are advocating a tax cutting plan that is fair and that helps the majority of Americans as promised in the original budget agreement that was reached this past May.

I believe very strongly that what the Republicans are doing here is reneging on the promise that they made when they signed with the President and said that as part of this balanced budget agreement most of the tax cuts would go to middle income working families, and unfortunately the Republican leadership is not honoring this agreement made on behalf of the American people. They are basically breaking the promise that was made to middle-income people.

Now, what we have tried to do as Democrats is to illustrate in human terms the implications of this Republican tax scheme, and I just wanted to mention, I have mentioned it before, but I wanted to mention an individual, a family from New Jersey, that wrote to me about a month ago now and also talk about this family and others in terms of the education benefits of the Democrat versus the Republican bill.

I have a chart here that talks about how a typical working family fares in 1998 under the GOP versus the Democratic proposals. This is a family that has an annual income of $24,000. The family has 1 child, age 10, and another child, age 19. The 19-year-old is attending his first year of community college with an annual tuition of $1200. Under the Republican bill the scholarship that would go to the student, to the child, that is in the community college basically is $600. Under the Democratic alternative it is a lot more, $1,100 phased up to $1,500 by the year 2001.

Even more or just as important is what happens with the child tax credit. This is this credit that the Republicans promised many times before would go to all working families if they had dependent children, but what they have done in their Republican tax plan is basically say that many families, including this one, which again is making an income of $24,000 a year, would receive no child tax credit because they do not qualify because of the earned income tax credit which some of my colleagues talked about tonight. Under the Democratic plan they would get the family $300 phased up to $500 by the year 2001.

Now that is the general statement that explains, I think, what the Democrats are complaining about when we say that the average person, in this case a working middle income family, are not getting a benefit of a child tax credit under the Republican plan and a reduced amount of money that is available for higher education.

But I just wanted to illustrate my New Jersey case again, if I could, and then I would like to yield to some of my colleagues who are joining me here this evening.

This is a woman, Deborah Hammerstrum, who is a resident of Toms River, NJ. She is a divorced mother of 2 children living on a single income, and she wrote to me, and I quote, ''to stress the importance of how a child tax credit would help to offset some of the financial burdens that come with raising a family on a single income.'' Ms. Hammerstrum earns $21,500 in her job as the benefits coordinator for Visiting Home Care Services of Ocean County, NJ. She pays $105 a week for child care, actually $5,460 a year, so that she can work. She is working.

Now, to quote again from her letter, she says, ''Unfortunately, the Republican child tax credit proposal is targeted against those who need it most, those who are just one step away from falling into the welfare system.'' She works, she pays for child care, she pays for food, a roof over her family's head, and nothing more.

The child tax credit should be given to financially benefit the child, and I think a child from a middle income family would benefit greatly by receiving this credit. She would get nothing under the Republican proposal, and the reason for this is because the Republican bill denies the $500 child tax credit to more than 15 million working families because it does not let them count the credit against their payroll taxes.

I heard my colleagues over and over again on the floor tonight say that the only people who should qualify for this child tax credit are people who pay income taxes; in other words, if the child tax credit, I mean, if with the earned income tax credit which we have on the books now, that person, in effect that earned income tax credit, goes above what their income tax liability is, that they should not be able to take advantage of the child tax credit that we are proposing. And that is simply unfair, Mr. Speaker, because basically what it says is that we are not going to count for this working family the fact that they pay payroll taxes, Federal payroll taxes, the fact that they pay Federal excise taxes or might pay local property taxes. These families, including Ms. Hammerstrum, are paying a lot of taxes, and it does not make sense to me to say that they should not get this extra $500 child tax credit.

I have other examples, but I do not want to use them right now because I wanted to have some of my colleagues

talk about some of the same issues and possibly use some other examples.

But I really feel very strongly that the Republicans are pulling the wool over the average American's eyes, so to speak, because they are suggesting that people who are working are somehow on welfare and should not have the benefit of this child tax credit. And that is unfair, and it breaches the promise and the commitment that was made when we started working on this balanced budget agreement.

I yield now to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey for taking this time so that we can have a debate and discussion about one of the most important issues that we are facing in this Congress, and that is who is benefiting from these tax proposals that are on the table today, and I think you make the point working families today understand the sham that the Republicans are trying to pull on them. They do understand it. I tell you because it is evident in the data, and just a couple of points.

Sixty-one percent of Americans think the Republicans are out of touch with the American people, and they are right. Fifty-two percent of Americans think the rich would benefit most from the GOP tax plan, and they are right. Americans prefer the democratic tax plan over the GOP plan by a 2 to 1 margin, 60 to 31 percent, and Americans strongly prefer Democrats' education child tax breaks over the GOP's capital gains and estate tax breaks 63 to 32 percent.

It is important to mention those because the American public is truly seeing through what the Republicans in this House are trying to do.

The most disingenuous part of this debate is that there were several people on the floor here tonight. Now a number of them are new Members so that they were not here for the signing of the Contract With America. As my colleague will recall, this was done with great fanfare on the steps of the Capitol with the Speaker of the House, [Mr. GINGRICH] and the majority of the Republicans in this body. There was one gentleman on the floor tonight who did sign the Contract With America, and I would bet that those new Members here campaigned on the Contract With America.

Now they may never have read the Contract With America, or they have put it aside and want to forget what it is that they signed, what they talked about, because let me talk about the child tax credit that was contained in the Contract With America, and this is from a third party association, Center on Budget and Policy Priorities. This is not something that is a document of a Democratic organization or a group. This is an independent organization.

The child tax credit proposal included in the contract would have allowed the 500 per child credit to be applied against a family's net tax burden from the combination of the income tax, the earned income tax credit and the payroll tax. The contract included both the employer and the employee share of the payroll tax in determining a family's child credit. The contract proposal would have allowed many families that owe no income tax after the EITC is considered but pay hefty payroll taxes to receive the child credit.

The point in fact is that those who signed and those wannabees who wish they would have signed have walked away from the Contract With America. In fact, to put it in the vernacular, they welched on the deal, and now what they want to do is to claim that those families, teachers, waitresses, policemen, nurses, people who are working hard for a living, raising their families, scrambling to pay the bills, people who are paying taxes, working and paying taxes, are now all of a sudden, with my Republican colleagues, people who are on welfare.

Mr. Speaker, it is a disgrace, and they demonstrate their insensitivity and their lack of understanding of what working families are all about in today's society.

My colleague from New Jersey made a point earlier that people are paying taxes, property taxes, excise taxes, payroll taxes, and they pay a heftier chunk of those taxes than those who are at the upper end of the scale. And in fact those are the families who for the last 20 years have watched their incomes either stagnate or decline, and their tax burden increase, who now our Republican colleagues are saying these are folks who are on welfare. And they welched on this deal because what they want to do is to squeeze these folks in order to make it possible to index capital gains so that in the second 10 years of this tax proposal we would see an explosion of the deficit. And in addition to that, they would provide a $22 billion windfall tax break to the richest corporations in this country, the Boeings, the Exxons.

□ 2300

They would scale back the alternate minimum tax so that these corporations could in some instances wind up without any tax obligation at all. They will stand in the well of this House and they will talk about the Contract With America. I watched as the Speaker of this House punched the ticket as each item in the contract, he said, was being voted on on the floor of this House.

Yet, they would now either choose to forget what they signed, refuse to believe what they signed, lie about what they signed, walk away from what they signed, and talk about those folks who pay income taxes, who pay payroll taxes, and call them welfare recipients. It is a disgrace and it is outrageous.

As a point of fact, the President's proposal would only allow the child tax credit to those families who are working and who are paying taxes. Otherwise, you do not receive a child tax credit. You only receive the credit up to the amount of payroll taxes that you in fact pay.

My colleagues on the other side of the aisle have a lot of explaining to do. They are dealing in a lot of double-talk these days. But I go back to my earlier point, which is that the American public is not buying it, because the point of fact is that our Republican colleagues in fact do not understand and are insensitive to the lives or the needs of working middle-class families in this country.

The public has seen them for what they are and is going to reject this tax proposal they are making, and in fact we are going to reject it in this House and in the Senate, and the President is going to reject it as well.

I thank my colleague for allowing me to participate in this discussion tonight.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her comments. It was amazing, listening to the other side, to the Republicans tonight criticize the very concept of the earned income tax credit. They said we should not have it at all, and somehow suggested this was strictly a Democratic, liberal, or welfare proposal.

The bottom line is that President Reagan, who is their biggest ideological champion historically, I guess, was a big supporter of the earned income tax credit, and thought it was a great way for middle- and lower-income people who were working to get some kind of a tax break. As the gentlewoman mentioned, it was in the Republicans' Contract With America.

Earlier this year Senator LOTT, the Senate majority leader, in his proposal for tax cuts proposed that individuals who received the earned income tax credit would still be able to get the child tax credit. So this is a last-minute thing.

The reason it is happening, and it goes back to what I said before, is that we have a very limited pot of money here. If you are not going to balloon the deficit, if you are actually going to balance the budget with this bill, which is what supposedly we are doing, then you have a limited amount of money available for tax cuts.

If Members want to give these tax breaks, the capital gains tax breaks the way they have figured it out, the estate tax breaks the way they have figured it out, and the corporate tax breaks to the wealthy individuals, the wealthy families and the corporations, then you cannot take this limited amount of money and give it to middle-income people who are working. You have to find some way, as the gentlewoman said, to squeeze them so you can give this money to the wealthy corporations or individuals.

Of course, the other thing they do is at the end of the 10-year period, they start giving these breaks even more so with the capital gains indexing and the other things. As a result, they in fact

do balloon the deficit and the deficit starts to grow again. So it is totally an effort, a scam, essentially, on the basic purpose of this balanced budget bill.

Ms. DELAURO. Mr. Chairman, I have just one more point, if my colleagues would indulge me. The fact is they made a lot of promises. They made a lot of promises to their rich friends. They are squeezing, as the gentleman has said and as the other gentleman said, the lower end of the scale, because with that limited pot of money they cannot make the commitments that they want to do. They have been waiting a very long time to do a tax bill that in fact would reward the richest folks in this country.

The one final comment I want to make, which is what the gentleman said, is that there are some people who make an awful lot of money in this country, who do not do a lot of work for it. They do not do a lot of work for it. That is okay. That is okay. Maybe their parents or they inherited wealth, or whatever it was. That is okay.

But not when we have limited resources do we have to be in the business of providing the richest people in this country, the wealthiest corporations in this country, with an opportunity for tax relief which is deserved by hardworking middle class families.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her comments.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, I thank the gentleman from New Jersey for once again organizing and participating in this special order, and also the gentlewoman from Connecticut [Ms. DELAURO] and our friend, the gentleman from Massachusetts [Mr. OLVER].

I would like to pick up a little bit on this earned income tax credit. In my district, the First Congressional District of Michigan, the northern half, actually the earned income tax credit, when we passed the deficit reduction bill in 1993, over 3,200 families in my district benefited from an expansion of the earned income tax credit.

The median income, median family income, in my district is only $27,482. That is the median income. These are the folks, if you had a husband and wife and two children, they would be entitled to an earned income tax credit at that median income. It is quite large in my district. Like I said, over 3,200 families could take advantage of it.

So what the Republican proposal said is if you are getting the earned income tax credit, you are not allowed to take the $500-per-child tax credit that is offered. When we look closely at their legislation, it is not just people on the earned income tax credit but other people who would not benefit from the $500-per-child tax credit.

The gentlewoman from Connecticut [Ms. DELAURO] said they may be welching, but according to the Center for Tax Justice and Policy, 45 percent of the young people under the age of 18 in Michigan would not be allowed to even take advantage of the $500-per-child tax credit because of the earned income tax credit or their family income or for some reason.

Look what we did in 1993. When we came here, and I came in 1993, I was elected in 1992, if Members take a look at what happened, we had an economy, and if Members take a look at Mr. Bush's economic adviser, Mr. Boskin back then, a week before President Bill Clinton took office Mr. Boskin projected the budget deficit to be $332 billion. Three hundred thirty-two billion dollars.

So the President came in, and after getting a grip on what was going on around here, we proposed the largest deficit reduction package ever seen in this country. In that deficit reduction package we expanded the earned income tax credit, because we knew those folks were playing by the rules, working hard, trying to stay off public assistance, needed a little extra help. We gave it to them in that vote, in that deficit reduction package.

It kept their heads above water, it kept them off public assistance. Every piece of income they received, whether it is an earned income tax credit or a per-child credit, because of their limited means, they spent it. They put money back into the economy. So that was sort of the plan that we did in 1993.

Look what we did since 1993 to reach a balanced budget. Why are we here in July of 1997, 4 years later, talking about giving tax breaks because we are on the verge of balancing the budget? We have already done so much of the hard work to reach a balanced budget.

Before President Clinton took office the deficit was a record number. In 1992 it was over $290 billion projected and headed up to $332 billion. In 1993 we worked with the Congress, the President did. We enacted his economic program to lower deficits and put more investment in people, in our own economy. The plan passed the Congress with only Democratic support. Members will remember, the Vice President had to break the tie in the Senate. But the Democrats, we stood by it and we paid for it. In the 1994 elections some people did not like the plan and we lost the majority of the House, but we did what was right for this country.

Since then, since that vote in August of 1993, the deficit has fallen by 63 percent. We are now looking at a deficit of somewhere around $60 billion. Some are saying it may even be $35 or $20 billion when we close our books on September 30. We have the smallest deficit since 1981, and it is the smallest percentage of our gross domestic product. It is the smallest since 1974.

So in fact the percentage of the deficit of our gross domestic product is going to be less than 1 percent of our gross domestic product here in 1997. Our friends that were out here an hour earlier, they were talking about how their budget is going to do this and that.

They came to power here in 1995. Guess what? They have not passed a budget yet. We have not had one budget passed yet. It has been continuing budget resolutions, continuing budget resolutions, of what? The Democratic plan to reduce the deficit, balance the budget, invest in people, and invest in our economy.

That is what happened because they have not passed their own budget. It has been, well, Members remember they could not pass their budget, so what did they want to do? Shut down the government. They did that. Just like on the disaster aid they did for the Dakotas, they got their own way.

But because of what we Democrats did, we approached the task and we are in better shape from a fiscal point of view than any other of the major industrial nations in the world. Both our deficit and our public sector are substantially smaller. We have the smallest Federal Government since the days of John F. Kennedy, back in the 1960's, even though the country has doubled. We have less people than back then, we have less people providing more service to this country, over 260 million people in this country.

We are clearly reaping the benefits of the success of cutting the deficit. We stand on the verge of it. So we are saying, if we are going to give tax credits, if we are going to give a $500-per-child tax credit, let us give it to the folks who really need it.

Those folks who get the earned income tax credit still pay their Social Security taxes, still pay State taxes. In fact, all year while they are working they are still taking income taxes out of their check. At the end of the year if their income falls below a certain level and they have so many dependents and people making up their family, then they get an earned income tax credit. It is a benefit at the end, but we are going to deny them a per child credit?

I have to share this with the Members. Just before I came down, I got a call. We were out here last week too, talking about this issue. A person from Marquette, Michigan, where I represent, was not happy with this idea of the earned income tax credit.

I got to talking with this lady. She did admit that at one time she had the earned income tax credit. It was okay for her, and she assured me she was only on it for a year, but what was it there for? She needed a helping hand. It was not a handout, we gave her a helping hand.

She got back on her feet, she was doing quite well. Now she wants a big capital gains tax. I am pleased she is looking at a capital gains tax, but at the same time, I am not going to leave behind those folks who are playing by the rules, working hard, trying to get ahead. They should get that $500-per-child tax credit and they should keep their earned income tax credit, because we will save money in public assistance, we will save money in education

and in other ways, and give them some hope, give them some future.

The earned income tax credit, we should expand it. We should put the $500-per-child tax credit in there. Those are the folks who should get it. Those are the folks we are trying to help out. Clearly, clearly, because of the Democratic plan that came forward in 1993, we are on the verge of balancing the budget right now. We are reaping the benefits of our success in cutting the deficit. We have an economy that in 4 years—before the President got here, there were very few jobs. Our deficits were at record levels. Business investments only grew, savings investments were all down, interest rates were up. Members remember those bleak old days.

Now there is almost euphoria because we stand on the verge of doing it. We are saying, as Democrats, let us give that $500-per-child tax credit to those people who really need it, and let us reinvest not only in our country, but also in the people who helped to make it.

Mr. Speaker, that is why I was very pleased to come down here tonight. To the lady that called me from Marquette, Michigan, I appreciate her call. I appreciate her honesty that even she at one time had to use the earned income tax credit. We should continue. Again, if we cannot reach out and help out our neighbor and the people who are providing the services, like the police officers and nurses, and even people who may work for city government or people who are disabled, remember, they pay taxes every day, in every shape and in every form, whether it is their Social Security tax, their FICA, their sales tax, their gasoline tax. We hear a lot about that. They are paying those taxes.

I think we as a country, the richest country in the world, the most powerful country in the world, a country that has their deficit under control, thanks to the Democrats, we certainly should reach out and help out those folks.

I was pleased to come down here tonight and join the gentleman in this special order. I appreciate all the hard work the gentleman has put in. Not only do we have the $500-per-child tax credit, but we have the education tax credit to help folks go to school.

The Democratic plan is well balanced. It helps out those who need it, people whose earned family income is less than $75,000. I told Members, in my district it was $27,482.

We look forward to passing the Democratic plan. I ask the President to stand firm with us. We will work this thing through. We will invest in people, we will invest in our economy. We will put consumer and business confidence back and continue it in this economy.

As we have shown over the last 4 or 5 years, the Democratic plan has been the plan that has lifted this country out of its doldrums, and we are now on the verge of balancing this budget. We are going to finish the job and at the same time invest in those people.

□ 2315

Mr. PALLONE. I was listening to the gentleman's comments and then comparing some of the comments that were made by some of our Republican colleagues earlier.

If the gentleman listened to them, what they were basically suggesting was that somehow what their proposal did, their Republican tax cut proposal, was to give money back to Americans but somehow ours did not. And the reality is that we are talking about the same pot of money here.

The question is, who is going to get it back? The individual who is middle income, who is making $20, $25,000 a year, gets the $500 tax credit back from the child tax credit, they are going to go out and spend it. And the wealthy individuals that the Republicans want to give the tax money back to, the tax cut back to, they are going to spend it as well, so in both cases the money is coming back to Americans. They are going to spend it, and that hopefully will fuel the economy.

But the question is, who is going to spend it? I think what you are pointing out is that the people that receive the earned income tax credit who should also get a child tax credit, they are spending it in many cases on basic necessities, food, housing, clothing, whatever. So there really is no difference between our points of view, other than who we are giving it to. We want to give it to middle-income working people.

Mr. STUPAK. Mr. Speaker, if the gentleman will continue to yield, the gentleman mentioned who is going to get it. Under their proposal, verified by Treasury and CBO and others, if you make more than $250,000, under the Republican plan they are going to get back $27,000. That is equal to the median income of the people in the First Congressional District of Michigan, which is $27,482. So they are going to give the wealthiest $27,000, which is equal to the median income in my district. And then those folks who are at the bottom 20 percent of the economic ladder, the people who depend on the earned income tax credit, who need the $500 per child, according to the same folks they are going to pay $63 more.

So I think we have it reversed. That was the difference back in 1993 between the Democrat proposal and the Republican proposal. Which one worked? Ours did.

We are now within striking distance of balancing the budget, first time since 1969. It is not the time to abandon the responsible, effective strategy of cutting the deficit and investing in our people that has resulted in the very strong economy we have today.

That is the Democrat proposal. That is the President's proposal. I urge all my colleagues to stand with us. We have done it. We should take some credit for it, but at the same time let us be smart about it. Give the break to those who need it. Let us invest in our people, because they put it back in our economy.

We have a strong, robust economy. And my colleagues know all the dire predictions: If we passed the Democrat plan back in 1993, there would be a great depression, massive unemployment. The deficits would be $700 billion. Just never materialized.

So we stand here tonight proud as Democrats of what we have done. We have more to go, and we are not going to give up this fight because our strategy is sound. We invest in people, and that is where it has to be.

Mr. PALLONE. Mr. Speaker, the gentleman pointed out, as did the gentlewoman from Connecticut [Ms. DELAURO] that a lot of promises and a lot of agreements are being broken here.

The gentlewoman from Connecticut [Ms. DELAURO] talked about the contract and the promise to give the child tax credit to everyone who was working and paying taxes. But this promise to reduce the deficit and balance the budget is also a major one that is being broken here. And the analysis that our colleagues on the other side kept bringing up tonight by the Joint Committee on Taxation, I believe was basically looking at the first five years of their proposal, and most of these tax breaks for the wealthy are coming at the end of the 10 years.

The Treasury Department and the other nonpartisan analyses that we have used and the Democrats have mentioned all look at this over the 10 years. What they point out is that with these big tax breaks at the end of the 10 years, this deficit, which as you know, Mr. Speaker, everyone here has been working so hard to try to bring down, now all of a sudden it will start to go up again and balloon and have the negative impact on the economy that we have been so concerned about.

So they are breaking another major promise there with regard to the deficit.

Ms. DELAURO. Mr. Speaker, if the gentleman will continue to yield, sometimes people think that some of the things that are said here at this hour are just something that is created out of whole cloth.

In terms of what you were saying about the second five years and the statistics being cited by our Republican colleagues, the Joint Committee on Taxation, I mean their work, quite frankly, has been debunked, what they have done, because they only look at the first five years.

In today's Washington Post, the people who wrote this bill, to quote, are not defending its distributional consequences; that is, how this money lays out to various groups in the economy. They are denying them. The plain facts are that the bill over time would not just mainly benefit the better off but would cost the government revenues it cannot afford. The bill is carefully written in such a way as to make the revenue loss look small at first. Then it soars. It is not just the Treasury that says so. Using accepted methods

and conventions of analysis, the Congressional Research Service and the vast majority of other analysts do so as well.

Congress's Joint Committee on Taxation says otherwise. The JCT was once the great redoubt of integrity in such matters. It has been converted into a political parrot. This is not only just the Washington Post but distinguished and reputable people are talking about the analysis done by the Joint Committee on Taxation as just now being a political tool and a political arm of the Republican majority.

Mr. PALLONE. Mr. Speaker, I think it is abundantly clear. If you listened, every reference tonight was to the Joint Committee on Taxation which, as you point out, every major newspaper and every nonpartisan analyst has said that this has just become totally politicized in only looking at the first five years.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding. I certainly want to thank him for taking the leadership, as he has continued to do, to bring these groups together to discuss this time after time after time.

I wanted to comment on exactly where he was going in one of his very recent comments there, wondering how do the people, how do people make a decision as to who to believe in a situation like this. In very hotly contested, controversial issue like this, there are claims and counterclaims that are laid down by different people.

I have been in the Congress, now in my 7th year, and it is easy to become quite cynical. I often wonder how it is that people do make those, reach those conclusions.

In this particular year in the tax debate that we have been going through, it seems to me it has been particularly difficult for the Republicans to sustain their deliberate misinformation, deliberate misinformation here about exactly who it is that is going to benefit from their tax cut plan. Because, as you pointed out, the Democratic House and the Republican House and the President and the Senate, which seems to have one plan all its own, but at least those four plans, there are four different plans, all of them are intended to give, because it was an agreement along those lines, exactly the same total amount of tax reduction in a period.

So my colleague from Connecticut points out that the opposite side only counts the portion, because it makes their point, that it is going to be done in the first five years; whereas the agreement that had been reached between the President and the congressional leadership was to cover a whole 10-year period and to make certain that they would not cause a return of deficits in the longer haul.

So it is much easier in this term, in this case to look at what the totals are. Economists from the conservative think tanks, economists from the progressive think tanks have all looked at the different plans and totaled up exactly how they are distributed over the period of time. Very easy to do. Hundreds and hundreds of columns have been written and editorials have been written in newspapers of every stripe all over the country.

Somehow out of all of this, out of all of these columns, people have listened. They have watched programs like this. They have read the editorials and the columns, and out of it all there is now the returns as to how people are thinking about it coming back in the polling that has been done.

A majority of Americans think and believe that the rich would benefit more from the Republican plan than from the Democratic plan. Of course, that is right. And Americans are very wise that way ultimately because they have come to understand that a Republican tax plan is going to benefit the rich. That is just a given about politics.

And then out of this they also have shown in the polling that they prefer the Democratic tax plan over the Republican plan by at least a 2-to-1 margin. That is very understandable, too.

One thing that comes out, however you cut it, slice things up, I want to use kind of an example and take my hand and use as the example cutting all of American families into five parts. The 20 percent of the wealthiest families over here, then down the line to the 20 percent who have the lowest income over at this end.

And the statisticians who have looked at this show quite clearly that the 20 percent wealthiest Americans under the Republican plan get two-thirds. Two-thirds of all of that equal amount total of tax reduction goes to this group.

In the Democratic plan, as it came through the House of Representatives, in the Democratic plan and in the President's plan, it turns out that two-thirds of all of the tax reduction goes to these three groups of families that represent 60 percent of all American families which are the American middle class.

So it is perfectly clear why 60 percent of Americans ought to prefer the Democratic plan, because at least that 60 percent of the families do better, do twice as well at least, all of the families in that middle income area do at least twice as well as they would under the Republican plan, whereas under the Republican plan of course it is only the very wealthiest 20 percent who get the vast majority of the tax reduction.

So there is a great deal of wisdom that comes through and people pick up out of all of what has been said and listening to it all very carefully. They come through with the right answer, that they should prefer the Democratic plan because the Democratic plan gives the vast majority of the money to the great middle class, that group of families in the center.

Then I would like to note one other thing that shows up from the polling, and that is that Americans prefer very strongly, by better than a 2-to-1 margin, the way the Democratic plan deals with cuts, tax cuts attributed to education benefits and those that relate to child tax benefits.

The Americans, by more than a 2-to-1 margin, prefer the Democratic plan on education and for child tax breaks over the Republican plan, which puts more of the money into capital gains tax cuts and estate tax cuts.

Now, why do they prefer the Democratic plan on education, for instance? Well, part of the President's proposal here has been that he is demanding and he is going to defend the idea that there is going to be $35 billion of tax reduction to provide benefits for people to be able to send their kids to college. That was part of the agreement that was reached between the President and the leadership here in the Congress from the majority party.

The difference is that the President, in his plan for giving education tax cuts, would allow a HOPE scholarship to provide up to $1,500, when it is fully phased in, for families in the first 2 years of college. And then in the second 2 years of college, he would allow 20 percent of their tuition costs, up to tuitions of $10,000, to be given in the way of a tax credit.

□ 2330

The Republicans cut those benefits that would go to families that are trying to send their kids to college; would cut those deeply.

The gentleman's chart up there shows that it is almost in half for the HOPE scholarship, in the instance that the gentleman had done, but then to top it off, to top it off, really to add to the insult of cutting the education benefits in half essentially from what the President agreed to, they then raised taxes on graduate students, who also are going to school.

They raise taxes on the families who work for colleges and universities, whose kids are going to those same colleges and universities where they work. They would see an increase in taxes for them. And there are hundreds of thousands of them. And they would raise taxes on the men and women who teach in our colleges and universities by changing and increasing the taxes that they would pay on their retirement plans.

So what we have here is a situation where an agreement was reached to provide $35 million of tax reduction that would help people. And it is particularly middle income families who would be helped here, to help families put their kids through college.

The Republicans have been trying to weasel out on that agreement that they had reached. So that what they are doing is cutting the tax reduction less than what the President has asked for and, in fact, applying taxes to those groups that I mentioned, to the graduate students, to the families who

work at the different colleges and universities, and to the people who teach at those colleges and universities.

That is a pretty weasely thing to do and it is very much against the agreement that had been reached.

On the other hand, if we look at what the proposals are in terms of capital gains, the Republican way of dealing with the capital gains reduction is to give a large tax break to the super rich. Because it is the super rich who have the greatest amount, by a vast majority, by a vast margin of the capital gains in this country anyway. It is the people who have made their vast amount of money on the runup in the stock market and so forth, the very wealthy, who have large amounts in the stock market. They would get a huge benefit out of the capital gains tax reduction that has been proposed.

In the Democratic proposal, middle income families who, yes, some people have a few stocks, I even have a few stocks, but I am not one of those who plays around in the stock market, but I do have a few stocks. But for most middle income families, that three out of five families in the middle, whose income probably lies somewhere between $17,000 a year and somewhere around $75,000 or $80,000 a year, for those families the main thing that they would get or ever see a capital gain on would be their home.

Under the Democratic plan we provide for that capital gains tax reduction on an individual's home, so middle income families get that. But we would not give it for speculations on stock or for the sale of collectibles, stamp collections and coin collections and things of that sort. We would not do that because that is something that would benefit only the super rich.

We would prefer, on the Democratic side, to give the tax breaks to lower income working families in ways of allowing their kids to go to college and giving it on homes and small businesses and the transfers of small businesses, where most of the jobs in this country are provided anyway. That is how the Democratic plan would give out the capital gains tax reductions.

So people, again, prefer or they have shown by a better than 2 to 1 margin that they prefer the Democratic plan on the tax reductions and the President's plan on the education tax reductions over the way the Republicans deal with the education breaks, and would prefer our plan for its education cuts over the Republican plan which has those capital gains tax cuts that I have described as going very much to the very wealthy in this vote.

Again, they are showing the wisdom that Americans ultimately show in these sorts of situations. They have picked up exactly what it is that is going on out of all the rhetoric, out of all the claims and counterclaims, out of all the columns written and all the analyses being done on this, and clearly understand quite clearly which of these plans would be to their greater benefit.

Mr. STUPAK. If the gentleman would yield, on the capital gains tax, I think a very important aspect we should point out here is that underneath the Republican plan, the capital gains drops from 28 to 20 percent, then there is a 26 percent tax on the previously declared depreciation. It is called depreciation recapture, and it is a rather complex formula they have in their bill.

Underneath the Democratic plan, the gentleman is correct that ours goes from 28 percent to 18 percent, and it is for those on their home, small businesses, family-owned businesses transferred within the family members and farms. The point being that we can drop our capital gains greater, from 28 percent to 18 percent, because it is targeted to the middle class and, therefore, we can give a larger aggregate tax break to more people.

Underneath the GOP plan, they go from 28 to 20 percent then a recapture of 26 percent, and it costs us more money because it is geared towards the high income items; collectibles, intangibles, not real things like farms and homes and small businesses.

So I wanted to make the point that underneath the Democratic plan, actually people make out better underneath the Democratic plan, just from 28 to 18, where the Republican plan is 28 to 20 plus a 26 percent recapture tax.

So it is pretty interesting how it all breaks out, because it is all who is it geared for. Is it for the upper 20 percent of the middle class, to use the gentleman's five elements there. I have to go back to the old saying here, here is the upper 20 percent, and it goes to the old saying the rich get richer, the poor get poorer and those of us in the middle get squeezed. And I think the five fingers work pretty good for that.

And that is why under the capital gains, the HOPE scholarship, or even just the earned income tax credit, the $500 per child credit, that is how the Democratic plan works out so much better and reinvests in people and back in this country.

Mr. PALLONE. If I could just say, I am really pleased that the gentleman from Michigan [Mr. STUPAK] pointed out the capital gains difference, because I think the Republicans would like the public to believe that the Democrats are not reducing capital gains. In fact, they are reducing them, in many cases even more, but they are targeting them primarily to homeowners. Whereas as the gentleman mentioned, under the Republican plan it is basically across the board and, therefore, it means with stocks, bonds, collectibles, and all these other things that it is primarily going to the wealthy families.

I would yield back to the gentleman again.

Mr. OLVER. The crux is that we can look at the education tax proposals, we can look at the child tax proposals, and we can look at the capital gains tax proposals and the estate tax proposals and all the others. And each one of them has to be looked at and analyzed, and they have been analyzed by the economists both on the left and the right, and by those columnists and editorialists. And, ultimately, when we put it all together, ultimately when we put it all together, it just turns out that the Democratic plan gives these 60 percent of families in the middle, out of the combination, more than twice as much of the total tax reduction.

And it is equal in the different plans. The total is the same in the different plans. But the Democratic plan and the President's plan gives more than twice as much of that money to these middle income families, the 60 percent in the middle, whereas the Republican plan gives four times as much actually than the Democratic plan to that wealthiest, that wealthiest one out of five families in this country.

That is the major difference. That is what people understand about this. In its gross overall form, that is what I think people understand this year.

Mr. PALLONE. The other thing the gentleman from Massachusetts mentioned, that I think is so important and goes back again to what we were saying in the beginning, is that on the education tax cuts, again the Republicans are breaking the deal.

A commitment was made that a certain percentage of this tax cut plan in dollars was supposed to go to education tax cuts and it was primarily to be targeted to middle income people. And the President was the person who pushed the most for that because President Clinton believed very strongly that we needed a well educated America if we are going to compete in the global economy; that education was the most important thing for the future of the country.

His biggest criticism, and I even have some statements here from Secretary Rubin criticizing the Republican tax incentives with regard to education, is because he says it breaks the deal on the budget, it does not give enough money for education, and it particularly does not help people who are working people at the lower end of the spectrum, so to speak.

If I could just mention briefly some statements from Secretary Rubin's letter to the conferees, he says

> Both the House and Senate bills are inconsistent with the bipartisan budget agreement because they fall far short of meeting the specific agreement of providing roughly $35 billion over 5 years of higher education incentives along the lines of the President's HOPE scholarship credit and tuition deduction proposals. Each bill significantly reduces the value of education benefits for millions of students attending low cost institutions by cutting the percentage of expenses covered by the credit, 50 percent in the House bill, 50 to 75 percent in the Senate bill.

So it is those very students at the low cost institutions of higher education, the community colleges and the other low cost State colleges, that will get less tuition tax credit, which absolutely breaks the deal and makes no

sense, because they are the ones that needs it the most.

So that breaking the deal, I think the gentleman used the term weaseled on the deal, is exactly what we are getting here at every level. But most importantly, and that is what aggravates, I think, President Clinton the most, is on the education tax cuts, because that was the part of the balanced budget agreement he was most concerned about because of his concern about the future of the country.

Mr. OLVER. If the gentleman would yield further for just a moment. I think the President has made it absolutely clear what he will require in order for him to sign this legislation. He wants very badly to sign legislation for a tax reduction, but he is going to make certain that it goes chiefly to the middle class.

He is going to make certain that it does not explode deficits in the outyears so that we do not go through what we went through in the 1980's with the deficits reaching as high as $330 billion a year, as they would have been in fiscal year 1993 if we had not, as the gentleman from Michigan said earlier, if we had not gone through that very tough exercise in 1993.

And thirdly that it must encourage education, because that is the way that our people are going to grow in their opportunities, in their capacities to contribute to America and to their families.

Mr. PALLONE. And the amazing thing, too, going back to these higher education tax credits, is that under the Republican bill, after the first 2 years, because again remember we are trying to get and help people who are at the lower end of the spectrum pay for college education, still working people, though. And I wanted to read again from Secretary Rubin's letter, he says ''Neither bill, House or Senate, offers low income students and students who work to pay tuition meaningful help beyond the first 2 years of higher education. Instead, the bills require taxpayers to have the funds available to put into savings in order to be entitled to any assistance other than for the first 2 years.''

So not only do they take these working students and give them less for the first 2 years than the Democratic plan would, but unless they are in a position to have an IRA or some sort of special savings account, they would not get any help at all in the last 2 years of college. And we of course do the opposite and extend that credit, that education credit, through the whole 4 years of college.

And my colleagues know today that many students need the 4-year degree if they are going to be able to get into the work force. So again it makes no sense. It is geared to the wealthy, not to the middle income people.

And, obviously, this is not over yet, the budget negotiators are still at this, the President is weighing in, and I think all of us here joining in this special order tonight are only doing it because we hope that the people involved in these budget negotiations on the Republican side will wake up, come to their senses, so to speak, and try to help the average working American. This is not too late. This can still be done if they heed their constituents and the will of the American people.

I want to thank the gentlemen for participating in this special order.

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

February 3, 1997

H.J. Res. 25. Joint resolution making technical corrections to the Omnibus Consolidated Appropriations Act, 1997 (Public Law 104–208), and for other purposes.

February 28, 1997

H.J. Res. 36. Joint resolution approving the Presidential finding that the limitation on obligations imposed by section 518A(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, is having a negative impact on the proper functioning of the population planning program.

H.R. 668. An act to amend the Internal Revenue Code of 1986 to reinstate the Airport and Airway Trust Fund excise taxes, and for other purposes.

March 3, 1997

H.R. 499. An act to designate the facility of the United States Postal Service under construction at 7411 Barlite Boulevard in San Antonio, Texas, as the ''Frank M. Tejeda Post Office Building''.

March 19, 1997

H.R. 924. An act to amend title 18, United States Code, to give further assurance to the right of victims of crime to attend and observe the trials of those accused of the crime.

March 25, 1997

H.R. 514. An act to permit the waiver of District of Columbia residency requirements for certain employees of the Office of the Inspector General of the District of Columbia.

April 14, 1997

H.R. 412. An act to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District.

April 24, 1997

H.R. 785. An act to designate the J. Phil Campbell, Senior, Natural Resource Conservation Center.

April 25, 1997

H.R. 1225. An act to make a technical correction to title 28, United States Code, relating to jurisdiction for lawsuits against terrorist states.

April 30, 1997

H.R. 1003. An act to clarify Federal law with respect to restricting the use of Federal funds in support of assisted suicide.

May 14, 1997

H.R. 1001. An act to extend the term of appointment of certain members of the Prospective Payment Assessment Commission and the Physician Payment Review Commission.

May 15, 1997

H.R. 968. An act to amend titles XVIII and XIX of the Social Security Act to permit a waiver of the prohibition of offering nurse aide training and competency evaluation programs in certain nursing facilities.

June 2, 1997

H.R. 1650. An act to authorize the President to award a gold medal on behalf of the Congress to Mother Theresa of Calcutta in recognition of her outstanding and enduring contributions through humanitarian and charitable activities, and for other purposes.

June 4, 1997

H.R. 5. An act to amend the Individuals With Disabilities Education Act, to reauthorize and make improvements to that Act, and for other purposes.

June 12, 1997

H.R. 1871. An act making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the fiscal year ending September 30, 1997, and for other purposes.

June 27, 1997

H.J. Res. 32. Joint resolution to consent to certain amendments enacted by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920.

H.R. 956. An act to amend the National Narcotics Leadership Act of 1988 to establish a program to support and encourage local communities that first demonstrate a comprehensive, long-term commitment to reduce substance abuse among youth, and for other purposes.

July 3, 1997

H.R. 363. An act to amend section 2118 of the Energy Policy Act of 1992 to extend the Electric and Magnetic Fields Research and Public Information Dissemination program.

H.R. 1306. An act to amend Federal law to clarify the applicability of host State laws to any branch in such State of an out-of-State bank, and for other purposes.

H.R. 1553. An act to amend the President John F. Kennedy Assassination Records Collection Act of 1992 to extend the authorization of the Assassination Records Review Board until September 30, 1998.

H.R. 1902. An act to immunize donations made in the form of charitable gift annuities and charitable remainder trusts from the antitrust laws and State laws similar to the antitrust laws.

SENATE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the Senate of the following titles:

March 17, 1997

S. J. Res. 5. Joint resolution waiving certain provisions of the Trade Act of 1974 relating to the appointment of the United States Trade Representative.

March 31, 1997

S. 410. An act to extend the effective date of the Investment Advisers Supervision Coordination Act.

May 14, 1997

S. 305. An act to authorize the President to award a gold medal on behalf of the Congress to Francis Albert ''Frank'' Sinatra in recognition of his outstanding and enduring contributions through his entertainment career and humanitarian activities, and for other purposes.

June 18, 1997

S. 543. An act to provide certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers.

June 27, 1997

S. 342. An act to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. REYES (at the request of Mr. GEPHARDT) for Tuesday, July 15, 1997, on account of airline equipment problems.

Mr. SCHIFF (at the request of Mr. ARMEY) for today through July 25, on account of medical reasons.

SPECIAL ORDERS

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. KAPTUR) to revise and extend their remarks and include extraneous material:)

Mr. UNDERWOOD, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Mr. DELAHUNT, for 5 minutes, today.

Mr. SCOTT, for 5 minutes, today.

Ms. LOFGREN, for 5 minutes, today.

Mr. WATT of North Carolina, for 5 minutes, today.

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. KAPTUR) and to include extraneous matter:)

Mr. BENTSEN.

Mr. HAMILTON.

Mr. HOYER.

Mr. THOMPSON.

Mr. FALEOMAVAEGA.

Mrs. MINK of Hawaii.

Mr. TRAFICANT.

Mr. BARRETT of Wisconsin.

Ms. VELÁZQUEZ.

Mr. ETHERIDGE.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. FRANKS of New Jersey.

Ms. ROS-LEHTINEN.

Mrs. ROUKEMA.

Mr. BOB SCHAFFER of Colorado.

Mr. MCCOLLUM.

Mr. GILMAN.

Mr. BEREUTER.

(The following Members (at the request of Mr. PALLONE) and to include extraneous matter:)

Mr. PACKARD.

Mr. MCNULTY.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2018. An act to waive temporarily the Medicaid enrollment composition rule for the Better Health Plan of Amherst, New York.

ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, July 17, 1997, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4219. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Almonds Grown in California; Order Amending the Marketing Order [Docket No. A0–214–A7; FV93–981–1] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4220. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Almonds Grown in California; Revision to Requirements Regarding Inedible Almonds [Docket No. FV97–981–3 IFR] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4221. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Soybean Promotion and Research: Amend the Order to Adjust Representation on the United Soybean Board [No. LS–97–005] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4222. A letter from the Administrator, Farm Service Agency, transmitting the Agency's final rule—Implementation of the Inventory Property Management Provisions of the Federal Agriculture Improvement and Reform Act of 1996 [Workplan Number 96–030] (RIN: 0560–AE88) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4223. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's report on the Notice of Final Priority for fiscal year 1997 for the Rehabilitation Short-Term Training program, pursuant to 5 U.S.C. 801(a)(1)(B); to the Committee on Education and the Workforce.

4224. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plan; Indiana [IN53–3; FRL–5860–4] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4225. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Summer Flounder, Scup, and Black Sea Bass Fisheries; 1997 Scup Recreational Fishery Measures [Docket No. 960520141–7159–06; I.D. 021897B] (RIN: 0648–AH05) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4226. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska, Northern Rockfish in the Central Regulatory Area of the Gulf of Alaska [Docket No. 961126334–7025–02; I.D. 071097A] received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4227. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Section 1059 Extraordinary Dividends [TD 8724] (RIN: 1545–AU16) received July 15, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LIVINGSTON: Committee on Appropriations. Report on the revised subdivision of budget totals for fiscal year 1998 (Rept. 105–185). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 1362. A bill to establish a demonstration project to provide for Medicare reimbursement for health care services provided to certain Medicare-eligible veterans in selected facilities of Department of Veterans Affairs; with an amendment (Rept. 105–186 Pt. 1). Ordered to be printed.

Mr. MCINNIS: Committee on Rules. House Resolution 187. Resolution providing for consideration of the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act (Rept. 105–187). Referred to the House Calendar.

Mr. WOLF: Committee on Appropriations. H.R. 2169. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. 105–188). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana (for himself and Mr. KENNEDY of Massachusetts):

H.R. 2170. A bill to amend title 5, United States Code, to provide for the reimbursement of expenses incurred by a Federal employee in the adoption of a child, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. DUNCAN:

H.R. 2171. A bill to prohibit athlete agents from soliciting representation of student athletes, and to establish requirements for contracts between athlete agents and student athletes; to the Committee on Education and the Workforce.

By Mr. FRANK of Massachusetts:

H.R. 2172. A bill to amend the Immigration and Nationality Act to make the restrictions on foreign student study at a public elementary or secondary school inapplicable in cases where the school evidences a desire for such result, and to prohibit the use of Federal funds to pay the cost of such study; to the Committee on the Judiciary.

By Mr. FRANKS of New Jersey:

H.R. 2173. A bill to amend the Crime Control Act of 1990 to require reporting of child

abuse by electronic communication service providers; to the Committee on the Judiciary.

Mr. GREENWOOD (for himself, Ms. MOLINARI, Mrs. LOWEY, Mr. WAXMAN, Mr. HORN, Mr. SHAYS, Mr. BILBRAY, Mrs. MORELLA, Ms. WOOLSEY, Mr. COOK, and Mrs. KENNELLY of Connecticut):

H.R. 2174. A bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans; to the Committee on Education and the Workforce, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOLDEN:

H.R. 2175. A bill to amend the Internal Revenue Code of 1986 to provide an investment credit to promote the conversion of U.S. coal and domestic carbonaceous feedstocks into liquid fuels; to the Committee on Ways and Means.

By Mr. MORAN of Virginia:

H.R. 2176. A bill to establish the Professional Boxing Corporation, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SNOWBARGER (for himself, Mr. TIAHRT, Mr. RYUN, and Mr. MORAN of Kansas):

H.R. 2177. A bill to designate the U.S. Courthouse located at 500 State Avenue in Kansas City, KS, as the ''Robert J. Dole United States Courthouse''; to the Committee on Transportation and Infrastructure.

By Mr. THORNBERRY:

H.R. 2178. A bill to amend the Helium Act with respect to disposal of helium; to the Committee on Resources.

By Mr. MCCOLLUM (for himself, Mr. GILMAN, Mr. BURTON of Indiana, Mr. DIAZ-BALART, Ms. ROS-LEHTINEN, Mr. GOSS, Mr. SHAW, Mr. FOLEY, Mr. SOLOMON, Mr. LIVINGSTON, Mr. COX of California, Mr. BALLENGER, Mr. BLUNT, and Mrs. FOWLER):

H.R. 2179. A bill to repeal the authority of the President to suspend the effective date of title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. FORD and Mr. DAVIS of Illinois.
H.R. 84: Ms. DELAURO.
H.R. 160: Mr. POMEROY.
H.R. 195: Mr. GRAHAM and Mr. INGLIS of South Carolina.
H.R. 216: Mr. KIND of Wisconsin and Mr. BALDACCI.
H.R. 230: Mr. COBLE.
H.R. 446: Mr. CLYBURN.
H.R. 464: Mr. JEFFERSON.
H.R. 475: Mr. DOOLEY of California, Mr. DOYLE, and Mr. DAVIS of Illinois.
H.R. 548: Mr. JEFFERSON.
H.R. 590: Mr. DOOLEY of California.
H.R. 633: Mr. HALL of Texas.
H.R. 674: Mr. GONZALEZ.
H.R. 695: Mr. KENNEDY of Massachusetts, Mrs. KELLY, Mr. METCALF, Mr. MARKEY, Mr. NEAL of Massachusetts, Mrs. EMERSON, Mr. CHRISTENSEN, Mr. WATTS of Oklahoma, Mr. SOUDER, Mr. POMBO, Mr. STENHOLM, Mr. TIAHRT, Mr. MCGOVERN, Mr. PARKER, and Mr. WICKER.
H.R. 699: Mr. BOEHNER and Mr. FOX of Pennsylvania.
H.R. 714: Mr. FOX of Pennsylvania.
H.R. 727: Mr. SKEEN and Mr. LIPINSKI.
H.R. 746: Mrs. CLAYTON and Mr. OLVER.
H.R. 754: Mr. SANDLIN.
H.R. 755: Mr. SNYDER and Mr. HASTINGS of Florida.
H.R. 758: Mr. NEY and Mr. LIVINGSTON.
H.R. 774: Mr. MALONEY of Connecticut.
H.R. 836: Mr. BLUMENAUER.
H.R. 840: Mrs. LOWEY and Mr. BILBRAY.
H.R. 869: Mrs. TAUSCHER.
H.R. 901: Mr. WICKER.
H.R. 925: Mr. BROWN of Ohio.
H.R. 939: Mr. CAMPBELL, Mr. WATKINS, and Mr. SAXTON.
H.R. 1031: Mr. GINGRICH and Mr. FOX of Pennsylvania.
H.R. 1040: Mrs. CHENOWETH.
H.R. 1054: Mr. DEAL of Georgia, Mr. HAYWORTH, and Mr. INGLIS of South Carolina.
H.R. 1125: Mr. VENTO.
H.R. 1126: Mr. HOLDEN.
H.R. 1129: Mr. HORN and Mr. QUINN.
H.R. 1134: Mr. DIAZ-BALART.
H.R. 1147: Mrs. EMERSON.
H.R. 1260: Mrs. JOHNSON of Connecticut, Mr. GOSS, Mr. MCHALE, Mr. BAESLER, Mr. LATOURETTE, Ms. STABENOW, Ms. ROYBAL-ALLARD, and Mr. SANDLIN.
H.R. 1283: Mr. PICKETT, Mr. DREIER, Mr. HASTINGS of Washington, Mr. CONDIT, Mr. MCCOLLUM, and Mr. SALMON.
H.R. 1311: Mr. VENTO.
H.R. 1350: Mr. KLINK, Mrs. LOWEY, and Mr. DIAZ-BALART.
H.R. 1356: Mr. SCARBOROUGH and Mr. FOX of Pennsylvania.
H.R. 1398: Mr. LEWIS of Kentucky.
H.R. 1441: Mr. BURTON of Indiana and Mr. HAMILTON.
H.R. 1464: Mr. PICKETT.
H.R. 1475: Mr. FOX of Pennsylvania.
H.R. 1492: Mrs. TAUSCHER and Mr. MARTINEZ.
H.R. 1544: Mr. SESSIONS, Mr. CALVERT, and Mr. ENGLISH of Pennsylvania.
H.R. 1596: Ms. HARMAN and Mr. ROTHMAN.
H.R. 1623: Mr. GIBBONS, Mr. HAYWORTH, and Mr. MARTINEZ.
H.R. 1635: Mr. HALL of Ohio, Mr. LAZIO of New York, Mr. BOEHLERT, Mr. PRICE of North Carolina, Mr. PASTOR, Mr. QUINN, Ms. FURSE, Mr. HOUGHTON, Mr. REGULA, and Mr. GILMAN.
H.R. 1679: Mr. FOX of Pennsylvania.
H.R. 1689: Ms. HOOLEY of Oregon, Mr. WHITFIELD, and Mr. SHERMAN.
H.R. 1704: Mrs. EMERSON and Mr. WICKER.
H.R. 1727: Mr. MALONEY of Connecticut.
H.R. 1733: Ms. KILPATRICK and Mr. LEVIN.
H.R. 1754: Ms. BROWN of Florida, Mr. CUNNINGHAM, and Mr. DAVIS of Illinois.
H.R. 1797: Mr. TAYLOR of North Carolina, Mr. WALSH, Mr. SHAYS, Mr. HOSTETTLER, Mr. PITTS, and Mr. MANZULLO.
H.R. 1822: Mr. DELLUMS, Mr. COOK, and Mr. SHERMAN.
H.R. 1836: Mr. SKEEN and Mr. MCINTOSH.
H.R. 1842: Mr. STEARNS and Mr. BONILLA.
H.R. 1845: Mr. DOOLEY of California, Mr. FROST, Mr. JOHN, and Mr. JOHNSON of Wisconsin.
H.R. 1863: Mr. WATKINS and Mr. MORAN of Kansas.
H.R. 1864: Mr. COX of California.
H.R. 1914: Mr. FOX of Pennsylvania.
H.R. 1946: Mr. STRICKLAND.
H.R. 1955: Mr. CLEMENT and Mr. PETERSON of Pennsylvania.
H.R. 1984: Mr. HULSHOF, Mr. BUNNING of Kentucky, Mr. NEY, Mr. TAYLOR of North Carolina, Mr. BARTON of Texas, Mr. COSTELLO, Mr. COMBEST, Mr. ENGLISH of Pennsylvania, Mrs. FOWLER, Mr. KLUG, Mr. LAHOOD, Mr. SHIMKUS, Mr. WATTS of Oklahoma, and Mr. KILDEE.
H.R. 2004: Ms. WOOLSEY.
H.R. 2021: Mrs. NORTHUP.
H.R. 2029: Mr. HAYWORTH.
H.R. 2064: Mrs. JOHNSON of Connecticut.
H.R. 2101: Mr. BASS and Mr. PICKERING.
H.R. 2112: Mr. STARK and Mr. EHLERS.
H.R. 2113: Mrs. NORTHUP, Mr. SESSIONS, Mr. HORN, Mr. EVANS, Mrs. MINK of Hawaii, Mr. SHADEGG, and Mr. ENGLISH of Pennsylvania.
H.R. 2116: Mr. BUNNING of Kentucky, Mr. KILDEE, Mr. SABO, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HILLIARD, Mr. DELLUMS, Mr. SANFORD, Mr. FILNER, Mr. DIXON, Mr. ADAM SMITH of Washington, Mr. HOLDEN, Mr. GOODE, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. CLYBURN, and Mr. FROST.
H.R. 2120: Mr. SANDERS, Mr. LIPINSKI, Mr. SANDLIN, Mr. FILNER, Mr. BROWN of California, and Mr. CARSON.
H.R. 2122: Mr. SENSENBRENNER and Mr. MARTINEZ.
H.R. 2143: Mr. STARK and Ms. PELOSI.
H. Con Res. 52: Mr. HASTINGS of Florida, Mr. SAWYER, Mr. KILDEE, Ms. MCCARTHY of Missouri, Mrs. EMERSON, and Mr. LUTHER.
H. Con. Res. 65: Mrs. LINDA SMITH of Washington, Mr. FRELINGHUYSEN, and Mr. ADERHOLT.
H. Con. Res. 80: Mr. CLEMENT, Mr. BOYD, Mr. BACHUS, Mr. KENNEDY of Massachusetts, Mr. STUPAK, Ms. STABENOW, and Mr. NEAL of Massachusetts.
H. Res. 37: Mrs. FOWLER, Mr. COOK, and Mr. WAXMAN.
H. Res. 139: Mr. BASS and Mr. FOX of Pennsylvania.
H. Res. 173: Mr. CLYBURN, Ms. CARSON, Mrs. MYRICK, Ms. DEGETTE, Mr. BLILEY, Mrs. MALONEY of New York, Mrs. LOWEY, Mr. BROWN of California, Mr. GREEN, Ms. STABENOW, Mr. KUCINICH, Mrs. MINK of Hawaii, Mr. LIPINSKI, Mr. ANDREWS, Mr. STARK, Mr. MALONEY of Connecticut, Mrs. THURMAN, Mr. FORD, Mr. CONYERS, Ms. DELAURO, Ms. SLAUGHTER, Mr. MATSUI, Mr. BENTSEN, and Ms. WATERS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1984: Mr. EHLERS.

ADMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1853

OFFERED BY: MR. GOODLING

AMENDMENT NO. 1: Page 3, after line 18, insert the following:

(3) by amending subsection (c) to read as follows:

''(c) NATIONAL PROGRAMS.—None of the funds made available under this section for programs authorized under titles I, II, and part C of title III, shall be used for any program authorized under part A of title III.

Page 3, line 19, strike ''(3)'' and insert ''(4)'' and strike ''(c)'' and insert ''(d)''.

Page 9, strike lines 12 through 14, and insert the following:

''(c) RURAL AND URBAN RESERVE.—A State may reserve not more than 5 percent of the

allotment made under section 102(a)(1) to use for grants to rural areas and not more than 5 percent of such allotment to use for grants to urban areas.''.

Beginning on page 9, strike lines 15 and all that follows through page 10, line 2.

Page 10, after line 2, insert the following:

''(e) DEFINITIONS.—For purposes of this section—

''(1) the term 'rural area' means an area that is not in a metropolitan statistical area;

''(2) the term 'urban area' means an area that serves a central city in a metropolitan statistical area; and

''(3) the terms 'central city' and 'metropolitan statistical area' have the same meanings given such terms in section 10952 of the Elementary and Secondary Education Act of 1965.''.

Page 16, after line 10, insert the following (and redesignate any subsequent subsections accordingly):

''(c) AMOUNT OF GRANTS.—

''(1) IN GENERAL.—If the sums appropriated for any fiscal year for grants under this section are not sufficient to pay in full the total amount which approved applicants are eligible to receive under this section for such fiscal year, the Secretary shall first allocate to each such applicant which received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

''(2) PER CAPITA DETERMINATION.—For the purposes of paragraph (1), the per capita payment for any fiscal year shall be determined by dividing the amount available for grants to tribally controlled postsecondary vocational technical institutions under this part for such program year by the sum of the Indian student counts of such institutions for such program year. The Secretary shall, on the basis of the most accurate data available from the institutions, compute the Indian student count for any fiscal year for which such count was not used for the purpose of making allocations under this section.

Page 22, strike line 13, and insert the following:

(D) by amending paragraph (3) to read as follows:

''(3) The State board shall, for secondary vocational-technical education programs, establish effective activities and procedures, by which parents, students, teachers, and area residents concerned will be able to participate in State and local decisions that influence programs under this Act, and ensure that such individuals are given access to the information needed to use such procedures.''.

Page 23, line 5, strike ''and''.

Page 23, line 9, strike the semicolon and insert ''in current and emerging occupations; and''.

Page 23, after line 9, insert the following:

''(D) how funds will be used to improve or develop new vocational-technical education courses.''.

Page 23, line 13, strike ''and''.

Page 23, line 14, before ''of'' insert '', and evaluation''.

Page 24, line 1, strike ''component'' and insert ''and vocational components''.

Page 24, line 5, after ''academic'' insert ''and vocational''.

Page 24, line 14, after ''describe'', insert '', to the extent practicable,''.

Page 25, strike lines 8 and 9 and insert the following:

''(8) describe what steps the State shall take to involve representatives of local school boards in the development of the State's benchmarks;

''(9) provide a financial audit of funds received under this Act which may be included as part of an audit of other Federal or State programs; and''.

Page 25, line 10, strike ''(9)'' and insert ''(10)''.

Page 27, strike line 11 and insert the following:

''(a) BENCHMARKS.—

''(1) ELIGIBILITY.—To be eligible to receive an allot-''.

Page 27, strike lines 17 through 24 and insert the following:

''(A) attainment of challenging State academic and vocational proficiencies;

''(B) attainment of secondary school diplomas or general equivalency diplomas; and

''(C) placement in, retention in, and completion of, postsecondary education or advanced training, or placement and retention in military service, or employment.

''(2) EXISTING BENCHMARKS.—If a State has developed State performance indicators or benchmarks for skills according to challenging academic or vocational proficiencies consistent with this Act, the State may use such performance indicators or benchmarks in measuring the progress of vocational-technical education students.''.

Page 30, line 3, strike ''have met'' and insert ''have performed in meeting''.

Page 32, line 10, before the semicolon insert '', effective teaching skills based on research, and effective practices to improve parental and community involvement''.

Page 32, line 22 and page 33, line 2, after ''academic'' insert ''and vocational''.

Page 33, line 8, strike ''support for'' and insert ''establishing agreements between secondary and postsecondary vocational-technical education programs in order to provide postsecondary education and training opportunities for students participating in such vocational-technical education programs, such as''.

Page 33, line 23, strike ''and''.

Page 33, line 25, strike the period and all that follows and insert a semicolon.

Page 33, after line 25, insert the following:

''(10) support for education and business partnerships; and

''(11) support to improve or develop new vocational-technical education courses.''; and

Page 34, strike line 7 and insert ''**TIONAL-TECHNICAL EDUCATION PROGRAMS**.''.

Page 36, strike line 1 and all that follows through page 37, line 2, and insert the following:

''(b) SPECIAL DISTRIBUTION RULES FOR SUBSEQUENT FISCAL YEARS.—

''(1) FISCAL YEARS 1999 AND 2000.—In fiscal years 1999 and 2000, each State shall distribute the funds available under this Act in such fiscal years for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) LESSER OR EQUAL AMOUNTS.—Each State shall distribute all funds allocated by the State for each such fiscal year for secondary school vocational-technical education programs in amounts less than or equal to the total amount of funds distributed pursuant to section 231(a) of this Act as such section was in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997 for such programs in fiscal year 1997 as follows:

''(i) 30 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(ii) 70 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(B) GREATER AMOUNTS.—Each State shall distribute all funds allocated by the State for each such fiscal year for secondary school vocational-technical education programs in amounts greater than the total amount of funds distributed pursuant to section 231(a) of this Act as such section was in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997 for such programs in fiscal year 1997 as follows:

''(i) 40 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(ii) 60 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(2) FISCAL YEAR 2001.—Each State shall distribute funds allocated under this Act in fiscal year 2001 for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) 35 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(B) 65 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

''(3) FISCAL YEAR 2002.—Each State shall distribute funds allocated under this Act in fiscal year 2002 for secondary school vocational-technical education programs to local educational agencies within the State as follows:

''(A) 40 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 to 19, inclusive, who reside in

the school district served by such agency for the preceding fiscal year compared to the total number of such individuals who reside in the school districts served by all local educational agencies in the State for such preceding year.

''(B) 60 percent shall be allocated to such agencies in proportion to the number of individuals aged 15 through 19, inclusive, who reside in the school district served by such agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved for the fiscal year for which the determination is made compared to the number of such individuals in all the local educational agencies in the State.

Page 37, strike lines 7 through 11, and insert the following:

''(1) demonstrates that a proposed alternative formula more effectively targets funds on the basis of poverty (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) to local educational agencies within the State than the formula described in subsection (b);''.

Page 37, line 20, strike ''$7,500'' and insert ''$10,000''.

Page 41, line 5, insert ''and'' after the semicolon.

Page 41, line 9, strike ''be'' and insert ''operate programs that are''.

Page 44, line 12, strike ''$20,000'' and insert ''$35,000''.

Page 47, line 8, strike ''that'' and insert ''which provides vocational-technical education programs and''.

Page 47, line 17, after ''Such'' insert ''vocational-technical education''.

Page 48, line 18, strike ''component'' and insert ''and vocational components''.

Page 48, line 22, after ''academic'' insert ''and vocational''.

Page 49, line 5, strike ''and implementation'' and insert '', implementation, and evaluation''.

Page 49, line 6, before the semicolon insert '', and how these individuals are effectively informed about, and assisted in understanding, the requirements of this Act,''.

Page 49, line 18, strike ''provide'' and insert ''support''.

Page 49, beginning on line 22, strike ''components'' and insert ''and vocational components''.

Page 50, line 2, after ''academic'' insert ''and vocational''.

Page 50, line 20, before the semicolon insert '', effective teaching skills based on research, and effective practices to improve parental and community involvement''.

Page 50, line 25, strike ''vocational'' and insert ''vocational-technical''.

Page 51, beginning on line 18, strike ''The'' and all that follows through ''subsection (b)'' on line 19, and insert ''Funds made available under this part''.

Page 52, line 4, strike ''and implementation'' and insert '', implementation, and evaluation''.

Page 52, line 7, after ''and'' insert ''academic''.

Page 52, line 18, strike ''and''.

Page 52, line 24, strike the period and insert a semicolon.

Page 52, after line 24, insert the following:

''(11) teacher preparation programs which assist individuals who are interested in becoming vocational-technical education instructors, including individuals with experience in business and industry;

''(12) improving or developing new vocational-technical education courses; and

''(13) support for family and consumer sciences programs.

Page 55, line 1, after ''expenditures'' insert ''of funds provided under this Act''.

Page 55, strike line 14 and insert the following:

''(c) COLLECTION OF INFORMATION AND REPORT.—''.

Page 56, line 19, after the semicolon insert ''and''.

Page 56, after line 19 insert the following:

''(C) to carry out research that can be used to improve teaching and learning in the vocational-technical education classroom;''.

Page 56, line 20, strike ''(C)'' and insert ''(D)'' and strike ''programs'' and insert ''research''.

Page 59, line 10, strike ''4-year'' and insert ''4 or 6-year''.

Page 62, line 22, strike ''$200,000'' and insert ''$250,000''.

Page 64, line 2, strike ''Part C'' and insert ''Parts C, D, E, F, G, and H''.

Page 64, line 4, strike ''is'' and insert ''are''.

Page 65, lines 5 and 14, strike ''program'' and insert ''fiscal''.

Page 65, line 21, strike ''similar windfalls,''.

Page 67, line 18, before the semicolon insert ''or to participate in any vocational-technical education program''.

Page 67, line 20, strike ''or'' and insert ''of''.

Page 67, line 22, strike ''or'' after the semicolon.

Page 67, line 24, after ''or'' insert ''federally''.

Page 67, line 25, strike the period and insert '', unless the participant has selected and is participating in a program or course of study that requires, as a condition of completion, attainment of an industry-recognized skill or standard; or''.

Page 67, after line 25, insert the following:

''(4) to require any individual to obtain a federally funded or endorsed certificate of mastery.''.

Page 68, after line 21, insert the following:

''SEC. 409. PARTICIPATION OF PRIVATE SCHOOL PERSONNEL.

''A State or local educational agency which uses funds under this Act for inservice and preservice vocational-technical education professional development programs for vocational-technical education teachers, administrators, and other personnel may, upon request, permit the participation in such programs of vocational-technical education teachers, administrators, and other personnel in nonprofit private schools offering vocational-technical education programs located in the geographical area served by such agency.''.

Page 70, line 6, strike ''For'' and insert ''(a) GENERAL RULE.—Except as provided in subsection (b), for''.

Page 70, after line 11, insert the following:

''(b) EXCEPTION.—If the amount made available for administration of programs under this Act for a fiscal year is less than the amount made available for administration of programs under this Act for the preceding fiscal year, the amount the State is required to provide from non-Federal sources for costs the State incurs for administration of programs under this Act shall be the same percentage as the amount made available for administration of programs under this Act.

Page 73, after line 21, insert the following (and redesignate any subsequent paragraphs accordingly):

''(4) CAREER GUIDANCE AND ACADEMIC COUNSELING.—The term 'career guidance and academic counseling' means providing individuals with information access on career awareness and planning for their occupational and academic future which shall involve career options, financial aid, and post-secondary options.

Page 74, line 2, after ''related'' insert ''vocational-technical education''.

Page 77, beginning on line 13, strike ''through applied academics'' and insert ''(including through applied academics)''.

Page 78, line 2, strike ''employment sectors'' and insert ''occupations which require other than a baccalaureate or an advanced degree''.

H.R. 1853

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 2: Page 52, after line 15, insert the following (and redesignate any subsequent paragraphs accordingly):

''(8) providing an on-site workforce development coordinator who will coordinate activities described in this section with an emphasis on developing additional curricula in cooperation with local area businesses;''.

H.R. 1853

OFFERED BY: MR. KLINK

AMENDMENT NO. 3: Page 30 strike lines 5 through 9, and insert the following:

''(2) INFORMATION DISSEMINATION.—

''(A) STATE REQUIREMENTS.—Each State shall make the information contained in reports described under paragraph (1) available to the general public through publication and other appropriate methods which may include electronic communication.

''(B) SECRETARY REQUIREMENTS.—The Secretary shall make the information contained in such reports available to the general public through publication and other appropriate methods which may include electronic communication.

H.R. 1853

OFFERED BY: MR. KLINK

AMENDMENT NO. 4: Page 30, strike lines 5 through 9, and insert the following:

''(2) INFORMATION DISSEMINATION.—

''(A) STATE REQUIREMENTS.—Each State shall make the information contained in reports described under paragraph (1) available to the general public through publication and other appropriate methods which may include electronic communication. Such reports shall be disaggregated by each local educational agency and post secondary institution receiving funds under this Act.

''(B) SECRETARY REQUIREMENTS.—The Secretary shall make the information contained in such reports available to the general public through publication and other appropriate methods which may include electronic communication.

H.R. 1853

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 5: Page 21, line 4, strike ''(b)'' and insert ''(c)''.

Page 21, line 6, strike ''(b)'' and insert ''(c)''.

Page 21, line 10, strike the periods and end quotation marks and insert a semicolon.

Page 21, after line 10, insert the following:

(5) in subsection (b)(1)—

(A) in subparagraph (A)—

(i) by striking ''section 221'' and inserting ''paragraph (3) of section 201(c); and

(ii) by striking ''section 222'' and inserting ''paragraph (4) of section 201(c)''; and

(B) by striking subparagraph (J).

Page 33, after line 12, insert the following (and redesignate the subsequent paragraphs accordingly):

''(4) sex equity programs;''.

Page 34, after line 5, insert the following:

''(e) HOLD HARMLESS.—Notwithstanding the provisions of this part or section 102(a), to carry out programs described in paragraphs (3) and (4) of subsection (c), each eligible recipient shall reserve from funds allocated under section 102(a)(1), an amount that

is not less than the amount such eligible recipient received in fiscal year 1997 for carrying out programs under sections 221 and 222 of this Act as such sections were in effect on the day before the date of the enactment of the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997.

H.R. 2158

OFFERED BY: MR. DAVIS OF ILLINOIS

AMENDMENT NO. 27: Page 11, line 7, insert ''(increased by $100,000,000)'' after the dollar amount.

Page 61, line 13, insert ''(reduced by $100,000,000)'' after the dollar amount.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 24: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to any Government of Cambodia that has not been elected.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to any Government of Cambodia that has not been democratically elected.

H.R. 2159

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 26: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. (a) None of the funds appropriated in this Act may be made available to Cambodia except for basic humanitarian needs assistance that is provided through private voluntary organizations certified by the United States Agency for International Development and except for funds made available through the National Endowment for Democracy.

H.R. 2159

OFFERED BY: MR. CAMPBELL

AMENDMENT NO. 27: Page 13, line 4, after ''$2,400,000,000'' insert ''(reduced by $25,000,000)''.

Page 36, line 10, after ''$25,000,000'' insert ''(increased by $25,000,000)''.

H.R. 2159

OFFERED BY: MR. COBURN

AMENDMENT NO. 28: At the end of the bill, insert after the last section (preceding the short title) the following new section:

UNITED STATED MAN AND THE BIOSPHERE PROGRAM LIMITATION

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be made available for the United States Man and the Biosphere Program, or related projects.

H.R. 2159

OFFERED BY: MR. FOX OF PENNSYLVANIA

AMENDMENT NO. 29: Page 94, after line 3, insert the following:

SEC. 572. None of the funds made available under the heading ''DEVELOPMENT ASSISTANCE'' may be used to support or promote trophy hunting or the international commercial trade in elephant ivory, elephant hides, or rhinoceros horns.

H.R. 2159

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 30: At the end of the bill, insert after the last section (preceding the short title) the following new section:

PROHIBITION OF FUNDS FOR SCHOOL OF THE AMERICAS

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be used for programs at the United States Army School of the Americas located at Fort Benning, Georgia.

H.R. 2159

OFFERED BY: MR. METCALF

AMENDMENT NO. 31: Page 94, after line 3, insert the following new section:

SENSE OF CONGRESS REGARDING INTERFERENCE OF EUROPEAN COMMISSION IN UNITED STATES BUSINESS TRANSACTION

SEC. 572. (a) STATEMENT OF FINDINGS.—The Congress makes the following findings:

(1) The Boeing Company and McDonnell Douglas have announced their merger.

(2) The Department of Defense has approved the merger as consistent with the national security of the United States.

(3) The Federal Trade Commission has found that the merger does not violate the antitrust laws of the United States.

(4) The European Commission has consistently criticized and threatened the merger before, during, and after its consideration of the facts.

(5) The sole true reason for the European Commission criticism and imminent disapproval of the merger is to gain unfair competitive advantage for Airbus Industries, a government-owned aircraft manufacturer.

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

(1) any disapproval by the European Commission of the merger of the Boeing Company and McDonnell Douglas would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

(2) the President should take such actions as he considers to be appropriate to protect United States interests in connection with this matter.

H.R. 2159

OFFERED BY: MR. PAUL

AMENDMENT NO. 32: After the last section (preceding the short title), insert the following:

LIMITATION ON FUNDS FOR ABORTION, FAMILY PLANNING, OR POPULATION CONTROL EFFORTS

SEC. 572. (a) None of the funds appropriated or otherwise made available by this Act may be made available for—

(1) population control or population planning programs;

(2) family planning activities; or

(3) abortion procedures.

H.R. 2159

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 33: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON PROCUREMENT OUTSIDE THE UNITED STATES

SEC. 572. Funds appropriated or otherwise made available by this Act may be used for procurement outside the United States or less developed countries only if—

(1) such funds are used for the procurement of commodities or services, or defense articles or defense services, produced in the country in which the assistance is to be provided, except that this paragraph only applies if procurement in that country would cost less than procurement in the United States or less developed countries;

(2) the provision of such assistance requires commodities or services, or defense articles or defense services, of a type that are not produced in, and available for purchase from, the United States, less developed countries, or the country in which the assistance is to be provided; or

(3) the President determines on a case-by-case basis that procurement outside the United States or less developed countries would result in the more efficient use of United States foreign assistance resources.

H.R. 2159

OFFERED BY: MR. YATES

AMENDMENT NO. 34: At the end of the bill, insert the following after the last section (preceding the short title):

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF CROATIA

SEC. 572. (a) LIMITATION.—None of the funds appropriated or otherwise made available by title II of this Act may be made available to the Government of Croatia if that government relocates the remains of Croatian Ustashe soldiers, who participated during the Holocaust in the mass murder of Jews, Serbs, and Gypsies, at the site of the World War II concentration camp at Jasenovac, Croatia.

(b) ASSISTANCE TO NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance to the Government of Croatia shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961.

(c) TERMINATION OF PROHIBITION.—The prohibition under subsection (a) with respect to the Government of Croatia shall terminate after the Government of Croatia provides the Secretary of State with compelling proof that the historical symbolism of Jasenovac, and the remains of those who were murdered by the Nazis and their collaborators, will remain undisturbed and that no other remains will ever be added to the remains of the victims of Nazi tyranny buried at Jasenovac, Croatia.

(d) NATIONAL INTEREST EXCEPTION.—Assistance restricted by subsection (a) may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(e) REPORT TO CONGRESS.—Whenever the President makes a determination under subsection (d), the President shall submit to the appropriate congressional committees a report with respect to the furnishing of assistance pursuant to the determination. Any such report shall include a detailed explanation of the assistance and how it furthers United States national interests.

(f) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committees on Appropriations of the House of Representatives and Senate.

H.R. 2160

OFFERED BY MRS. CLAYTON

AMENDMENT NO. 12: Page 49, line 21, insert ''(increased by $2,478,000,000)'' after the first dollar figure.

Page 49, at the end of line 14, add the following:

Each amount otherwise appropriated in this Act (other than this paragraph) is hereby reduced by 5 percent.

H.R. 2160

OFFERED BY MRS. CLAYTON

AMENDMENT NO. 13: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 728. The amount otherwise provided by this Act for ''SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)'' is hereby increased by $184,000,000 and each other amount appropriated or otherwise made available by this

Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 0.37 percent.

H.R. 2160

OFFERED BY: MR. SMITH OF MICHIGAN

AMENDMENT NO. 14: Insert before the short title the following new section:

SEC. . None of the funds appropriated or made available by this Act may be used to pay the salaries and expenses of personnel who work at a regional office of the Natural Resources Conservation Service or to provide a support service for a regional office of the Natural Resources Conservation Service.

H.R. 2160

OFFERED BY: MR. WYNN

AMENDMENT NO. 15: Insert before the short title the following new section:

SEC. . (a) For an additional amount for the Department of Agriculture (consisting of an additional $1,500,000 for ''DEPARTMENTAL ADMINISTRATION''), and none of the funds made available in this Act to such Department may be used to provide assistance to, or to pay the salaries of personnel who carry out, a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance in an aggregate amount of funds and/or commodities in excess of $68,500,000, $1,500,000.

(b) Of the amount under the heading ''DEPARTMENTAL ADMINISTRATION'' in title I, $13,300,000 is for civil rights enforcement at the Department of Agriculture.

H.R. 2160

OFFERED BY: MR. WYNN

AMENDMENT NO. 16: Insert before the short title the following new section:

SEC. . For an additional amount for the Department of Agriculture (consisting of an additional $1,500,000 for ''DEPARTMENTAL ADMINISTRATION''), and none of the funds made available in this Act to such Department may be used to provide assistance to, or to pay the salaries of personnel who carry out, a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance in an aggregate amount of funds and/or commodities in excess of $68,500,000, $1,500,000.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, WEDNESDAY, JULY 16, 1997 No. 101

Senate

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

''Oh, to grace how great a debtor
''Daily I'm constrained to be
''Let Thy goodness, like a fetter
''Bind my wandering heart to Thee.''
—*Hymn by Robert Robertson.*

Merciful God, we are debtors to Your grace. We want to live our whole lives in grateful response to Your goodness. May Your goodness bind our hearts to You. There is no limit to what we are able to accomplish when love is our motivation. Help us to live this entire day as an expression of our love to You, for all the grace You have lavished upon us. Rather than living by obligation or oughts, may we do our work today as our way of telling You how much we love You. We are so thankful for Your care, for the privilege of living in this free land, for our families and friends and for the opportunity to serve You in the formulation of public policy for the welfare and prosperity of all people. Our goal is to enjoy this day to the fullest. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. HAGEL. Mr. President, on behalf of the majority leader, today the Senate will be in a period of morning business until the hour of 11 a.m. By previous consent, at 11 a.m., the Senate will begin consideration of S. 955, the foreign operations appropriations bill. Amendments are expected to that appropriations bill, and Senators can, therefore, expect rollcall votes throughout the day.

As a reminder, under the consent agreement reached last night, a vote will occur on final passage of S. 1004, the energy and water appropriations bill, immediately following the first vote relative to the foreign operations bill. It is hoped the Senate will be able to complete action on the foreign operations bill during today's session of the Senate.

It is also the intention of the majority leader to begin consideration of the legislative appropriations bill this week, as well as complete action on the nomination of Joel Klein under the remaining 3-hour time agreement.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. SMITH of Oregon). Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 11 a.m., with Senators permitted to speak for not to exceed 5 minutes each.

The Senators from Nebraska and Georgia are recognized for 20 minutes.

The Senator from Nebraska is recognized.

Mr. HAGEL. I thank the Chair.

(The remarks of Mr. HAGEL and Mr. CLELAND pertaining to the introduction of S. 1021 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. HAGEL. 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. BAUCUS. 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. BAUCUS. Mr. President, may I ask whether we are in morning business.

The PRESIDING OFFICER. We are in morning business.

DESTRUCTION OF THE EYE OF THE NEEDLE ARCH

Mr. BAUCUS. Mr. President, I rise today to express my outrage over an incident that occurred in my home State last May. Over the Memorial Day weekend, vandals on the Missouri River destroyed the Eye of the Needle Arch, as well as several other stone pinnacles nearby.

Lewis and Clark, camping in the traditional homeland of the Blackfeet Indian Tribe, first noted these structures in their historic journal which, I might add, is replete with misspellings: ''Seens [sic] of visionary inchantment [sic]'' and ''eligant [sic] ranges of lofty freestone buildings,'' describing the Eye of the Needle Arch along the Missouri River.

Former Montana Senator Lee Metcalf had the foresight to designate that stretch of the Missouri as ''wild and scenic,'' thus ensuring that generations of Montanans would marvel at these wonders.

But what took Mother Nature millions of years to painstakingly carve out was destroyed probably in a matter of hours. The actions of the vandals have been decried in both local and national newspapers, and the people of Montana have been united in their condemnation of the acts. People have donated over $10,000 in reward money for information leading to the arrests of the individuals responsible. I rise today to add my voice to those who cry out for the loss of a true Montana treasure.

My motivations for speaking on this subject are personal. To me, the Eye of

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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the Needle was a symbol of what makes Montana the ''Last Best Place.'' Its improbable existence was a miracle of creation and a testimony to Montana's rugged spirit.

I plan to float the Missouri this weekend. I will see firsthand what has become of this treasure. In many ways, I am not looking forward to the experience.

To know that this landmark was destroyed by human hands gives me pause to think on the absolute senselessness of the act. Tearing down a marvel of nature is not a statement of defiance, not a statement of courage, or even machismo. No, it is simply an act of raw brutality, an act of utter stupidity.

In every cloud, there is a silver lining, and though it is not easy to see in this case, there is a positive lesson to learn from this incident. In an ironic way, we have gained a deeper appreciation for the wonders that surround us. They are precious; they are fragile. Perhaps this incident will remind us to protect the things that are near and dear to our hearts. For all our sakes, I hope this is the lesson we learn.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

INVESTIGATION OF THE 1996 FEDERAL ELECTIONS

Mr. TORRICELLI. Mr. President, I rise today to address two of the current investigations that are taking place within the Federal Government on this day. They are very different and they involve different branches of the Government but are important to this country and many of our citizens.

Mr. President, I will address first as a member of the Governmental Affairs Committee what I think is potentially an important new beginning in our investigation of the problems of the financing of the 1996 elections.

Members of the committee have for some time had different perceptions about the most serious allegations involved in that investigation. This, of course, involves the question of whether or not there was an attempt by a foreign government, principally the Government of China, to influence our Federal elections in 1996.

I believe that there is now a common understanding that while all sides previously acknowledged that there was probably such an attempt and regarded it seriously, there were differences about certain aspects of the allegations.

I think the new common understanding is that while there was clearly such an attempt made by the Chinese Government, that it was bipartisan in its goals and primarily designed to influence the Congress of the United States and not exclusively the Presidential candidates in 1996, and that it also at this moment remains unclear whether or not to what extent it might have succeeded in either influencing the elections or more importantly the policies of the United States Government. These have been contentious issues that divided the committee until this day.

I am very pleased, based on statements made by both Democratic and Republicans members of the committee, that I believe our investigation now proceeds with a common perception of these facts. I believe that is critical for the committee doing its work and in eventually uncovering whether and to what extent this foreign involvement violated our laws.

JUSTICE

Mr. TORRICELLI. Mr. President, on a separate second issue I want to address this morning the larger context of the continuing downward spiral in the national political dialogue, and specifically how it addresses the case of a single American. We have tragically in our time witnessed this deterioration in the public dialogue. We are now witnessing how its venom can influence the life of a single citizen. I am addressing, of course, the Whitewater investigation and the actions of independent prosecutor Kenneth Starr.

Mr. President, I claim no expertise in the question of the Whitewater investigation. Indeed, it is not the focus of my remarks this morning. And I hold no brief for either President Clinton or the First Lady as I address this issue. Indeed, the injustice of which I speak does not involve anyone in the President's family, but rather a simple 42-year-old woman named Susan McDougal.

Since September 9, 1996, Susan McDougal has been imprisoned for refusing to testify to an Arkansas grand jury convened by the independent prosecutor Kenneth Starr. And indeed, under the law a witness who refuses to cooperate and testify before a grand jury may be held for a civil contempt of up to 18 months. In this instance therefore the independent prosecutor initially acted within the law and probably appropriately. But that is where the problem begins. Because according to the legislative history of the statute, and indeed under the case law, the purpose of civil contempt and imprisonment ''is to secure testimony through a sanction, not to punish the witness by imprisonment.''

But according to briefings filed with the court, the prison conditions that Susan McDougal has endured up to this point sound more appropriate for a hardened violent criminal than a person jailed for civil contempt.

In fact, while serving 3 months in the Faulkner County Detention Center in Arkansas, Susan McDougal lived under the following conditions. She did not see the light of day for 3 months. She was jailed in a unit that was constructed for 10 people but in reality usually held more than 20. As indicated by these photographs, she was usually shackled both by hands and feet whenever she went to court or to the doctor or to the dentist. This was not customary practice. Indeed, no other prisoner in that facility was shackled by hands and feet in this manner virtually at any time, no less when receiving medical treatment.

When in transport, marshals were under instructions not to remove her shackles at any time including when she required to urinate. She was allowed one visit per week, and only through glass. She was forbidden any family or friendly contact through visitation. She was denied potable water. She could only drink from a rusty shower or a sink attached to a toilet. She was allowed no reading materials except for the Bible, of which I am sure she would have been grateful except she was forbidden to have any reading glasses, even when she offered to buy them with her own funds.

After a brief stint at the Carswell Federal Medical Center in Fort Worth, where she was placed in a work camp with other women, many of whom were serving 30 and 40 years on narcotics charges, she was transferred to California. There in Los Angeles at the Sybil Brand Institute for Women, she was placed in isolation with one tiny slit in a door, the windows covered with barbed wire, with a single peephole where she could see the light of day. She was denied any reading material and was denied a chance to even meet with the prison chaplain.

She was later moved to complete isolation from all other prisoners and was allowed out of her cell for 2 hours per day. So for 22 hours a day she was in complete isolation, no contact with anyone, no ability to see the light of day, with a single window covered with barbed wire, nothing to read, no one to talk to, not even counseling from a minister.

During the evening hours, she is awakened every 20 minutes by a flashlight that is placed in her eyes. She is served breakfast at 4:30 in the morning where she eats alone in a 5-foot cell. If she should leave her cell, she is handcuffed behind her back and is forced to wear prison uniforms that are colored red, which is the color to indicate a murderer or an informant. She is routinely body searched and forced to strip naked for prison officials. She is escorted by a guard wherever she goes, including to the infirmary or the library.

And finally, every time she uses the shower or on those occasions when she is allowed access to a telephone, every other prisoner is forced to be locked into their cells, which has heightened animosity toward her personally and led to dangerous, unlivable circumstances.

Mr. President, I do not know Susan McDougal, and I confess I do not know a great deal about the Whitewater case. In many respects I rose today on the Senate floor to speak to neither, but to talk about justice. This is a barbaric set of circumstances that are indefensible and give rise to the question of whether or not Mr. Starr's investigation is being led by someone who seeks justice or is driven on the personal destruction of individuals to vindicate himself and his own investigation.

Mrs. McDougal is not imprisoned for murder or robbery or any violent offense. She has faced no jury and is convicted of nothing. But for almost a year, she has been held on civil contempt.

The Federal courts have ruled on a variety of circumstances, including in 1983 in the Sanchez case, and in 1984 in the Simkin v. United States case that a court is obligated to release an individual if it becomes clear that she will not testify after continued confinement.

Indeed, in case after case throughout the history of this country judges have released individuals who have refused to testify after 6 or 8 months of imprisonment.

Susan McDougal has now been imprisoned for 10 months. There is no indication that it will end soon. And it clearly is not going to result in her giving credible testimony.

Indeed, it was argued before a Federal judge 2 weeks ago that not only is Susan McDougal's incarceration inhumane, it is counterproductive.

If Susan McDougal were released from these extraordinary barbaric circumstances tomorrow, her testimony in the Whitewater case would be of absolutely no value. Her testimony would have no credibility. It clearly would have been coerced. No grand jury, no judge, and no jury would give it any validity.

Her testimony is now useless. Any individual held in solitary confinement with no privacy, with no ability to consult with family or friends, denied access to a chaplain, shackled hand and foot, subjected to body searches, awakened during the night every 20 minutes, in some circumstances by a flashlight in her eyes, could not possibly at this point be giving voluntary testimony that would be usable in a court of law.

Mr. President, Kenneth Starr should pursue the facts. If they produce further evidence that allows a case to proceed, it is his duty to do so. It is the obligation of every officer of this Government, in any of its branches, to first and foremost, however, pursue justice.

Former Senator William Cohen, then a Member of this institution, said, ''The appearance of justice is just as important as justice itself in terms of maintaining public confidence in our judicial system.''

Mr. President, there is no confidence in our judicial system that can come from these facts. There is a cold tyranny on a single American citizen. It is time for the Federal judiciary to intervene to bring justice and to change the circumstances of Susan McDougal's life.

I yield the floor.

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

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

Under the previous order, the Senator is recognized for 20 minutes.

Mr. DORGAN. Mr. President, I ask unanimous consent that morning business be extended to accommodate 20 minutes.

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

WHO GETS THE BENEFIT OF A TAX CUT?

Mr. DORGAN. Mr. President, I want to talk today about a debate that is going on in a conference committee on who gets what portion of the tax cut that is now proposed by the Congress. It is, I suppose, a debate that one would expect if the Congress decides there shall be a tax cut, and the Congress has decided that taxes shall be reduced in some measure for the American people.

The obvious question is, for whom and for how much? Who gets the benefit of the tax cut?

We had a generous discussion on the floor of the Senate with an enormous amount of data and charts, with each side demonstrating that it is right and the other side is wrong, and each side using economists and all of the research groups that say this side is right, that side is wrong, or that side is right, this side is wrong. I suspect people watching this do not have the foggiest understanding of how you manufacture all these numbers. It is like making sausage, I assume—somebody over there, huddled over a bowl, is throwing all kinds of things in a bowl, and they grind it out and say, ''Here's our sausage.''

I come from a farm State, so I suppose I talk a lot about agriculture. I was thinking about an old story that a fellow in my hometown told me years ago about the chicken and the pig. It reminds me a little of this debate about the tax issue, who gets what. A chicken and a pig were prancing around the farmyard and they were talking about the upcoming birthday for the farmer and deciding what they would give the farmer for his birthday. The chicken said, ''Why don't we give him ham and eggs,'' and the pig thought about that for a long time, and said, ''Well, gee, for you, that's terrific, because for you that's just a contribution, but for me that requires real commitment.''

Well, commitment or contribution, this is the kind of chicken-and-pig issue on who gets what in the Tax Code, who contributes what taxes in this country.

I want to talk just for a moment today about this commitment or contribution issue, and when it comes time to providing tax relief, then who gets some help. There is a discussion in this Congress that occurs almost every year around something called tax freedom day. The Tax Foundation, in fact, puts out a little publication. This year it was May 9, I believe, and it says tax freedom day is May 9. We have someone dutifully coming to the floor, and they hold it up and say, ''Here is the day in which we are free. Up until this day, all of the things we earn have to go to pay taxes, and beyond this day we are free.''

It has always been curious to me that the amount of money I pay for my children to go to school is somehow considered a burden. It is not to me. I consider it an opportunity to put my kids in a good public school system, and the taxes I pay to help that public school system is not a burden to me. But some people feel every dollar they pay is an enormous burden and a waste. They say, ''Here is tax freedom day, May 9, this year.'' When they talk about tax freedom day, the same people that come to the floor and do that say tax freedom day is the accumulation of taxes that people have to pay, including income taxes and payroll taxes. And, incidentally, payroll taxes are a big chunk of the taxes people have to pay in this country. When they talk about tax freedom day, they include payroll taxes.

When they talk about who gets what in terms of tax cuts, guess what happens? The Congress then says we are only going to measure income taxes. We are only going to measure the income taxes you pay, and that is the basis on which you get a tax cut. So you have a situation in this country where over two-thirds of the American people now pay a higher payroll tax than they pay in income tax. Two-thirds of the American people pay higher payroll taxes than income taxes. Payroll taxes have grown, and rather substantially.

So when it comes time to give a tax cut, we are told that the tax cut shall go to people based on the income taxes they pay, and if you don't pay substantial enough income taxes, you do not get a tax cut.

Some of us feel that the working families toward the bottom of the ladder, those working families somewhere between the 50th percentile and down who are paying more in payroll taxes than income taxes, they are working, they are paying taxes. It is a different kind of tax—payroll tax—they ought to get a tax cut, as well.

Here is the dilemma. We have a tax cut that is proposed in part of this package that is a per child tax credit of $500, and we are told that the per child

tax credit will go to only those people who pay enough income taxes to earn the credit. What does that mean? It means 4 million to 6 million American kids will not get a per child tax credit, despite the fact their folks are working and their folks are paying substantial payroll taxes, sufficient payroll taxes to earn this tax credit. But they will be denied any tax benefit under this plan because they pay payroll taxes and not enough income tax.

Why is it their fault? Because they are not earning enough money, they are at the bottom of the economic ladder. They are told in this plan, payroll taxes don't count. So, therefore, these 4 to 6 million children, the parents of those children, are not going to get a tax cut, because they only work and they only pay payroll taxes. That makes no sense at all. It does not make any sense.

Why would we prevent the parents of 4 to 6 million children, the parents of those 4 to 6 million children who are working, from getting a tax credit of $500 per child, as all other Americans will get?

We were told last week by a Member of the majority who believes we should not provide a child tax credit to those people who are working and paying payroll taxes, that if we did, it would be welfare. Why welfare? These are people who are working, these are people who are paying taxes, and these are people who also deserve a tax cut.

It is always interesting to me that every time we talk about a tax cut in this Chamber, if you get way into the upper end of the income scale—an area, incidentally, where they have had enormous increases in income—that somehow the most generous portions of the tax cut always go to those folks.

I want to read some information that was in a piece yesterday in the Washington Post about what has happened to incomes in this country. According to the Congressional Budget Office, the Americans in the bottom one-fifth of the income distribution, the lowest 20 percent of income earners in the work force, saw their after-tax incomes drop by 16 percent between 1997 and 1994. When you adjust all that for inflation, they have 16 percent less purchasing power in a 20-year period. The next-to-the-bottom fifth lost 8 percent. The middle fifth stayed about even.

The members of the wealthiest 20 percent saw their incomes rise by 25 percent, and the top 1 percent of the income earners in this country in the same 20-year period saw their income rise in real terms by 72 percent. So if you look at who has benefited substantially in the last 20 years, you conclude that the top 20 percent of income earners, especially the top 1 percent, have benefited enormously.

Why is it, then, when we talk about providing tax cuts, that we say to those who have not benefited at all, those who are in the work force who have not received any substantial increase in income, in fact, who have lost ground, we say to them, ''You are working, you are paying taxes, but we're sorry, you don't get a tax cut.'' What kind of logic is that? This does not make any sense to me.

I will read a couple of other things that have been written recently. Today, in the Washington Post, with respect to this debate about who is providing what benefit to which income group in this country, the Washington Post editorial says:

> The Republicans have written a tax bill tilted heavily toward the better-off * * *
>
> The Republicans in turn have adopted a new technique. Rather than argue as they might have done in the past about the virtues of the bill, they engage in distortion.

They are talking now about the numbers that are bantered back and forth.

> The people who wrote this bill aren't defending its distributional consequences; they're denying them. The plain facts are that the bill over time would not just mainly benefit the better-off but would cost the government revenues it can't afford.

I want to talk about this issue of better off, however, because if we have a proposal passed by both the House and the Senate to reduce the tax burden in this country, it seems to me it ought to be targeted to those families who have faced an increasing tax burden.

Which taxes have increased in recent years in this country? Does anybody know the answer to that? Which taxes have increased? I guess most people would say the payroll taxes, and they would be right.

Payroll taxes in the last decade have increased, increased again, and increased again. The income tax rates have come down, except for one circumstance. But the payroll taxes have increased.

So the result is, when the discussion of the Congress is about giving a tax cut, I think we ought to talk about providing tax relief to those who are paying higher payroll taxes. But some say they want to prevent those people who are paying higher payroll taxes from receiving any of the significant benefits of the tax cut. Frankly, that is just wrong.

The piece in the Washington Post, written by E.J. Dionne, called ''The Tax War,'' is an interesting piece that appeared a day or two ago, and it says the following:

> The Republicans are missing a chance to make their best case for a tax cut. For years, they argued that government should not tax people into poverty or make life tougher for the pressed middle class. They were right about this, especially since regressive payroll taxes take a much bigger chunk from the incomes of the middle class and the working poor than from the wealthy.
>
> That's why it is incomprehensible that Republicans have so fiercely resisted Clinton's proposal to give the $500-per-child tax credit to families who owe no income taxes but pay substantial payroll taxes. Most of these families earn roughly $17,000 to $30,000 a year.
>
> People at the middle and bottom of the income strata need tax relief for another reason: For nearly two decades—until the last 2 or 3 years of the current economic recovery—they have lost ground or barely kept up.

Now, the point I come to the floor today to make is this. We are in conference between the House and the Senate on the question of what kind of tax cut and who receives the benefits of this tax cut. The chart I have here shows the percentage of working families in this country whose payroll taxes exceed their income taxes. You will see this by quintile.

The bottom fifth, 99 percent of them, pay more payroll taxes than income tax. These are people who work. They get up every day, go to work, work hard, try to take care of their families. The second quintile, 97 percent, pay more in payroll taxes than they do in income tax, and right on down, until you get to the top fifth, and they pay 16 percent in payroll taxes. Sixteen percent have payroll taxes that exceed their income tax.

You can see the import of this chart. It shows the folks in the bottom 60 percent of the income strata in this country who are out working, are paying higher payroll taxes than income taxes. Any proposal that says that does not count, that does not matter, the payroll taxes you pay are not part of our concern, is just plain wrong.

Now, we have an opportunity to fix it, and we can fix it in this conference committee. The House and the Senate conferees can decide to consider payroll taxes paid as a measurement against who gets the $500 child tax credit. They can do that. Some don't want to do it because it means they will not be able to get their special little deal in the Tax Code. They have lots of special trunks in cases that have been put in this bill. Some want to have their special deal, so they don't want to do this because it costs money.

If you want a fair tax cut and you want to be fair to working Americans and working families, you must say to those out there in the work force, ''We will give a tax cut based on a $500-per-child tax credit and we will measure it against the taxes you pay—all taxes, including payroll taxes.'' The failure to do that means that this Congress is not doing right by middle-income families. This Congress is not doing right by nearly 4 million to 6 million children and the parents of those children who will be denied a reduction in their taxes only because the taxes they paid, the higher taxes they paid, were payroll taxes rather than income taxes.

So we have an opportunity to do this right. Most people look at the Congress and they think, if you cut taxes, guess what Congress will do? It will cut tax and give people at the higher income levels, at the upper end, the biggest tax cut.

Congress has two ways of doing things. It deals with cakes and crumbs. The folks at the bottom get the crumbs and the folks at the top get the cake with lighted candles on it. That is the way people think Congress behaves because too often that is the way they do behave. We have an opportunity in constructing a tax bill in this conference

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, lien 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—

(1) in subsection (b)(2), by striking the period and inserting the following: ‘‘, including providing the Congress with a report detailing all defense articles, defense services, and military education and training delivered to the recipient country or international organization upon delivery of such articles or upon completion of such services or education and training. Such report shall also include whether any savings were realized by utilizing commercial transport services rather than acquiring those services from United States Government transport assets’’;

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

‘‘(c) For the purposes of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services that are acquired by contract for the purposes of the drawdown in question if the cost to acquire such commercial transportation and related services is less than the cost to the United States Government of providing such services from existing agency assets.’’.

AMENDMENT NO. 881

On page 34, line 21, after the word ‘‘Act’’ insert the following: ‘‘: *Provided further,* That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a)’’

AMENDMENT NO. 882

On page 24, line 9 insert after the word ‘‘resolution’’ the following: ‘‘*Provided further,* That the Secretary shall submit such determination and certification prior to March 31, 1998.’’

AMENDMENT NO. 883

(Purpose: To require the withholding of assistance to any country granting sanctuary to any person indicted by the International Criminal Tribunal for Rwanda)

On page 92, line 16, strike ‘‘is authorized to’’ and insert ‘‘shall’’.

On page 92, line 21, strike ‘‘should’’ and insert ‘‘shall’’.

Mr. BIDEN. Mr. President, I am pleased the managers of the bill will accept my amendment to the foreign operations appropriations bill. My amendment will apply the same standards for sanctions on countries that harbor Rwandan indicted war criminals as are applied to countries that provide sanctuary for individuals indicted by the Yugoslav war crimes tribunal.

As the bill is currently written, with the exception of certain types of humanitarian assistance, no foreign aid can be given to any country that provides sanctuary to individuals indicted by the Yugoslav war crimes tribunal. But for those individuals indicted by the Rwandan war crimes tribunal, the bill contains only a discretionary authority to withhold aid.

Mr. President, the United States was a cosponsor of the U.N. Security Council resolution which authorized the establishment of the Rwandan war crimes tribunal. Accountability for the 500,000 people killed in the 1994 genocide is an integral part of any effort for reconciliation and reconstruction in Rwanda, much like the Truth Commission in South Africa.

Mr. President, my amendment is not without precedent. The foreign operations bill 2 years ago restricted foreign assistance to countries that harbored both Rwandan and Yugoslav indicted war criminals. I believe this was the right standard, and to do anything less sends the wrong message on war crimes. If we say we are against war crimes in Yugoslavia, we should also equally say we are against war crimes in Rwanda. I don't believe that there's one Senator who doesn't share this belief—but it is important that we say so.

My amendment makes a strong statement of support for the Rwandan tribunal and for the cause of human rights in Africa.

Mr. MCCONNELL. Mr. President, it is my understanding that these have been approved by the Democrats.

Mr. DORGAN. Mr. President, if the Senator will yield, Senator LEAHY is detained. On his behalf, I am here to say that the amendments have been approved, and he is either a sponsor or a cosponsor with Senator MCCONNELL.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 876 through 883), en bloc, were agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, I am pleased to bring the fiscal year 1998 foreign operations, export promotion, and related programs appropriations bill to the Senate for consideration today. I might say at the outset that we anticipate finishing this bill tonight. There are very few amendments of which I am aware and, hopefully, we can mirror the speed with which the Department of Defense appropriations bill and the energy and water appropriations bill were completed.

Senator LEAHY and I have worked closely together to produce a bill which effectively serves vital international U.S. political and economic priorities with the $13 billion allocated to our subcommittee.

Let me point out right up front that while the bill stands at $13 billion, we are funding $13.2 billion on programs; the difference is due to the Budget Committee's treatment of arrears at international financial institutions.

For the first time in more than a decade, the foreign operations account actually experienced an increase. We can thank Senator STEVENS for understanding how important it is to have international options short of sending in U.S. troops. I might just say, Mr. President, on that point, there are a number of our colleagues who are particularly enthusiastic about the defense option, and I am among them. On the other hand, being able to engage overseas without the use of troops is frequently, always, less dangerous and, many times, less expensive.

For the better part of the last 3 years, Senator LEAHY and I have warned that the United States would pay long-term consequences if we continued the pattern of shortsighted gains made by reducing foreign assistance.

Finally, the administration listened. I want to commend Secretary Albright for making an increase in the 150 account her first and foremost priority. The nearly $1 billion increase arrested a devastating decade-long decline.

I think it is important to put this increase in perspective. Measured against foreign aid's peak year of 1985, our resources have dropped nearly 60 percent. Since 1990, we have seen a 40-percent reduction. Keep in mind that those cuts have occurred in times when the United States established assistance programs to help strengthen and stabilize more than two dozen new, emerging democracies.

As we welcome Poland, Hungary, and the Czech Republic into NATO, thereby expanding European stability and security arrangements, we should all remember it was the United States economic and security assistance that helped make this possible.

Just taking a look, Mr. President, at the chart here behind me, my colleagues will notice that in 1985, in billions, the foreign operations account was $28.2 billion. A mere 12 years later, it was $12.2. And what we are seeing this year, after a decline of $28.2 to $12 billion, is an increase back up to $13.4 billion.

I will argue, as I did a few moments ago, that given the new responsibilities to the new emerging democracies, that this increase this year in the 150 account is entirely appropriate.

The aspirations, ingenuity, and determination of the citizens of these countries—particularly in Central Europe—combined with American grants, loans, exchanges, training, and equipment to build democratic institutions, strong free markets, and responsible military partners makes a lot of sense.

Obviously, this effort should be continued. The combination of an increase in the foreign assistance allocation, along with progress made by emerging European democracies, have made this a key transition year—one in which we have an opportunity to initiate support for new priorities while ending or establishing clear performance benchmarks in countries where U.S. support is not fulfilling political or economic expectations.

In this context, let me review some of the bill's highlights.

In title I, we have increased export promotion support over the administration's request. We have fully funded the Trade and Development Agency and the Overseas Private Investment Corporation, and to compensate for dismal forecasting at the Eximbank, we

have increased the funding there as well.

No one is more pleased than I am that there is a new team directing the Bank's important work. However, the new Chairman arrives in with the news that the Bank expects to have to carry over into 1998 nearly $400 million in planned or possible 1997 projects because of a shortfall in available funding. At a time when everyone recognizes that exports are key to American economic growth, we need to support Exim's vital mission. While the administration asked for $632 million, we have provided $700 million to support American business as they venture into tough emerging markets.

Title II provides funding for all bilateral programs, including development assistance activities, programs in the new independent states and Central and Eastern Europe, disaster aid, the Peace Corps, international narcotics control, and a consolidated fund which covers nonproliferation, demining, antiterrorism, IAEA activities, and related programs.

Within this title, there are a number of provisions which reflect the committee's new emphasis of building on success and objectively recognizing and reversing failures.

Nowhere is this more evident than in the Middle East. I will not spend a great deal of time at this point on the issue of Egypt's record over the last 2 years. Let me simply say that funding for both Egypt and Israel has always been provided in the context of the Camp David accords and a national commitment to serving the interests of peace.

Leading a renewal of the Arab economic boycott of Israel, rejecting President Clinton's plea to participate in the peace summit, and actively opposing the Hebron agreement between Israel and the Palestinians are a few reasons why Egypt no longer seems to share our commitment to regional stability and peace. To send a signal that improvements are expected if aid is to continue to flow, the committee did not earmark funds for Egypt.

In contrast, King Hussein has taken enormous risks to advance peace, and the committee reflected its support for this effort by substantially increasing economic and security assistance to Jordan. Egypt and Jordan define the basic tenet of this bill: Aid is not an entitlement program. It must be earned, and it must be deserved.

The NIS offers other examples of this approach. For several years the Senate has earmarked funds for Ukraine. Now I believe it is time to assess results. Although Ukraine has made remarkable progress in passing a constitution and introducing a new currency, I think it is time to register our concerns that corruption and the slow pace of reforms may defeat the relevance and impact of our assistance.

As in the past, we have earmarked $225 million, making clear we still believe in Ukraine's strategic importance and support the constitutional and economic changes which have been achieved. However, to leverage improvements and accelerate the pace of reforms, 35 percent of the aid package is withheld until the Secretary of State certificates progress has been made combating corruption, and moving forward with key economic and political policy changes.

Russia offers another example of where aid must better serve United States interests. For the past 2 years, the bill has included language linking the provision of aid to the termination of Russia's nuclear cooperation with Iran—a provision always watered down by the administration. With elections around the corner, the administration's argument last year was simple: If we cut off aid, they said, we undermine the election chances of the only people who are committed to ending this lethal program.

Well, we all know the reformers won the election last year, and, unfortunately, the nuclear program is still around. Only now it is expanded, and the Russians are not only collaborating with Iran on a nuclear powerplant. They are working together on a missile technology program. This year a waiver allowing aid to continue—no matter what the Russians do with Iran—is simply out of the question.

Consistent with our effort to take aid off autopilot, the bill also includes language addressing the crisis in Cambodia. In our opening hearing this year, the administrator of AID referred to Cambodia as a democratic success story, a view echoed by the Secretary of State in our closing hearing. Persistent allegations of close collaboration between Cambodia's leadership and major regional drug traffickers were dismissed in that hearing, as were alarming accounts of the two prime ministers arming themselves for a resumption of civil war.

As we all know, a few short weeks ago the committee report called attention to this rapidly deteriorating situation and conditioned assistance of all further aid on progress in four key areas. The Secretary had to certify the government had taken steps to: First, end political violence and intimidation of opposition candidates; second, establish an independent election commission; third, protect voters and election participants by establishing laws and regulations guaranteeing freedom of speech and assembly; and, fourth, eliminate corruption and collaboration with narcotics dealers.

Mr. President, however elusive that goal now seems, each of these steps remains important to the future of democracy in Cambodia. With the coup engineered by Hun Sen last week, I intend to further modify these conditions as we proceed forward with this bill today.

Turning to title III, the committee has provided over $3.3 billion in security assistance, loans and grants and support for international peacekeeping. While this level reflects a slight reduction of the administration's request, we were able to provide an increase in aid to Jordan and an increase in support for Lithuania, Estonia, and Latvia.

Let me speak for a moment to the case of the Baltic countries. I know I am joined by many of my colleagues who believe the Baltic nations should be the next nations on the list of NATO entrants. Having never recognized their domination by the Soviet Union during the cold war, I think it is a serious mistake for the administration to now bow to Russian demands that the Baltic nations be excluded from NATO. In effect, the administration's policy relegates the Baltic States to the Russian sphere of influence, a perverse reversal of political fortune and a mistake of historic proportions.

These nations are ready, willing, and able to make a meaningful military and political contribution to NATO's mission. The funding we have provided will strengthen and deepen the Baltic ties to NATO by facilitating the completion of a civilian military regional airspace control system, an important step toward membership. This funding reflects a strong view that Latvia, Lithuania, and Estonia deserve to be integrated into a stable European security structure and have earned our political commitment and continued support for NATO admission.

Finally, let me turn to title IV in the bill, which provides funding for the international financial institutions. Although we have reduced the administration's request, we have been able to meet virtually all current-year obligations as well as make substantial progress on past obligations incurred by this administration.

I want all of my colleagues to know that we have once again withheld funds for IDA until the Secretary of the Treasury certificates that the interim trust fund has removed all procurement restrictions imposed which exclude American contractors.

I want the members of both the trust fund and IDA to be on notice that these restrictions must be gone before this legislation is enacted or I cannot support full funding for IDA in conference.

The last section of the bill is devoted to general provisions. One in particular is worth noting because it is in keeping with the principles we have developed to end aid as an entitlement program.

When the Dayton agreement was signed, each party pledged to support the International Tribunal's efforts to arrest and prosecute war criminals. Today, 66 indicted fugitives remain at large—with potentially many more under sealed indictment.

These are not bandits in hiding living in fear of capture. These outlaws continue to work and wander the streets and, in some cases, such those of Radovan Karadic and Ratko Mladic, they continue to exercise real power.

Section 573 ends assistance to regional authorities refusing to cooperate in the international effort to bring

these fugitives to justice. Peace in Bosnia cannot be sustained if the Tribunal fails to complete its task. Stability and economic growth depend on the repatriation of refugees consistent with the Dayton agreement—and those refugees will not return to communities which continue to be terrorized and intimidated by war criminals.

Section 573 bans aid to countries which have not cooperated in the arrest of war criminals. Waiver authority is granted to the President for a period of 6 months, if he certifies that a country has turned over a majority of war criminals. However, at the end of the 6 months, aid can only continue if the President certifies that all war criminals have been arrested.

The provision exempts democracy building, demining and humanitarian programs in an effort to afford the administration some carrots as it attempts to encourage compliance.

But, this should not be seen as a door which will be opened wider creating more exemptions and weaker standards. Let us be clear on a single point: after more than $400 million in U.S. aid, we need to implement and enforce the moral reckoning which only the Tribunal can offer. Only justice can bridge the deep divides which continue to fracture the former Yugoslavia.

Let me conclude by once again emphasizing that the increase in the 150 account represents both an opportunity and an obligation to more effectively serve American international interests. We can only accomplish this purpose if we end aid as an entitlement program. I believe this bill sets us on the right course and I encourage my colleagues to support it.

AMENDMENTS NOS. 885, 886, AND 887

Mr. MCCONNELL. As an indication of how quickly we should be able to move this bill, I see that my friend and colleague from Oregon is here ready to offer an amendment, and before I yield the floor for that purpose, I will offer an amendment to earmark aid to Egypt for myself and Senator LEAHY, Senator STEVENS, and Senator BYRD.

I am also going to send to the desk two amendments on Cambodia.

So, Mr. President, I am sending to the desk three amendments at this time.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for himself, Mr. LEAHY, Mr. STEVENS, and Mr. BYRD, proposes an amendment numbered 885.

The Senator from Kentucky [Mr. MCCONNELL], for himself and Mr. LEAHY, proposes an amendment numbered 886.

The Senator from Kentucky [Mr. MCCONNELL], for himself and Mr. LEAHY, proposes an amendment numbered 887.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 885

(Purpose: To provide assistance to Egypt)

On page 17, line 14, strike the number ''$2,585,100,000'' and insert in lieu thereof, ''$2,541,150,000''.

On page 17, line 20, after the word ''later:'' insert: '': *Provided further,* That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years:''.

On page 33, line 26, strike the number ''$3,265,000,000'' and insert in lieu thereof ''$3,308,950,000''.

On page 34, line 3, after the word ''Israel'' insert: '', and not less than $1,300,000,000 shall be made available for grants only for Egypt.''.

AMENDMENT NO. 886

(Purpose: To restrict aid to Cambodia)

On page 11, line 14, strike all after the word ''Of'' through page 12, line 13, ending with the number ''1997.'' and insert in lieu thereof the following: ''None of the funds appropriated by this Act may be made available for activities or programs in Cambodia until the Secretary of State determines and reports to the Committees on Appropriations that the Government of Cambodia has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; and (5) eliminated corruption and collaboration with narcotics smugglers: *Provided,* That the previous proviso shall not apply to humanitarian programs or other activities administered by nongovernmental organizations: *Provided further,* That 30 days after enactment of this Act, the Secretary of State, in consultation with the Director of the Federal Bureau of Investigation, shall report to the Committees on Appropriations on the results of the FBI investigation into the bombing attack in Phnom Penh on March 30, 1997.''.

AMENDMENT NO. 887

(Purpose: To restrict aid to Cambodia)

On page 96, line 20, strike all after the word ''Cambodia'' through page 97, line 2, ending with the word ''smugglers.'' and insert in lieu thereof the following: ''has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; and (5) eliminated corruption and collaboration with narcotics smugglers.''.

Mr. MCCONNELL. I ask that all three of those amendments be temporarily set aside.

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

Mr. MCCONNELL. Now, Mr. President, I yield the floor.

AMENDMENT NO. 888

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. 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 Oregon [Mr. SMITH], for himself, Mr. NICKLES, Mr. THOMAS, Mr. HUTCHINSON, and Mr. GORTON, proposes an amendment numbered 888.

Mr. SMITH of Oregon. 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 in the bill, insert the following new section, and renumber the remaining sections accordingly:

SEC. . TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION.

None of the funds appropriated under this Act may be made available for the Government of Russian Federation unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has enacted no statute or promulgated no executive order that would discriminate, or would have as its principal effect discrimination, against religious minorities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a signatory, including the European Convention and the 1989 Vienna Concluding Document of the Conference on Security and Cooperation in Europe.

Mr. SMITH of Oregon. Mr. President, a few weeks ago, on the Fourth of July, as Americans were celebrating their cherished freedoms upon which this country was founded, the Russian Federation passed a bill which, if signed into law, would restrict freedom of religion in that country in a lamentable way.

This bill is ironically titled, ''On Freedom of Conscience and on Religious Associations.'' It first passed the lower house of the Russian Duma in late June.

The bill would, among other things, limit the activities of foreign missionaries and grant unregistered religious groups significantly fewer rights than accredited Russian religious organizations such as the Russian Orthodox Church, Islam, Judaism, and Buddhism.

Mr. President, this bill awaiting signature now on President Yeltsin's desk would severely limit the very existence of what Russia terms ''new faiths.'' These ''new faiths'' include many Protestant faiths—Evangelicals, fundamentalists, Pentecostals, SDA's, Jehovah's Witnesses, Mormons, and even the Catholic Church. These faiths will be persecuted as religious minorities under this proposed law.

Congress has already taken a number of steps to send signals to President

Yeltsin about this bill. Many Members of both Houses have signed letters to President Yeltsin and to President Clinton. From the Vatican to former President Jimmy Carter, the reaction to this law has been strong and unwavering.

I rise today to send an even stronger signal. My amendment would withhold funds appropriated in the foreign operations bill to Russia unless the President of the United States determines and verifies in writing to the Congress that the Government of Russia has enacted no statute that would discriminate against religious minorities in the Russian Federation.

Mr. President, I realize, as do all Senators, that Russia is a sovereign country. We cannot tell Russia what to do as a country. We can, however, elect not to send foreign aid to a country that would discriminate against religious beliefs in so fundamental a way.

This will be the clearest and strongest message that can be sent to President Yeltsin. Should he decide to enact into law this discrimination, we then will send no American funds, none of our taxpayers' hard-earned moneys, to that country in the fiscal year of 1998.

In the modern world, for most religions, the kind of deprivation of status that the Russian bill would enact, should it become law, is a major encroachment upon religious freedom.

Many international agreements have already been signed that require signatories to guarantee religious freedom. For example, sections of the Vienna Concluding Document of the Conference on Security and Cooperation in Europe commits participating States in the Helsinki process to grant religious freedom as part of their Constitution.

Mr. President, the Russian Federation is a signatory to that Vienna document. Furthermore, the bill on President Yeltsin's desk would not only violate this and other international agreements; it would also violate Russia's own Constitution which guarantees religious freedoms we as Americans have come to hold as so dear and so fundamental. I know some might argue, Mr. President, that we should not take these kinds of actions; that we are trying to help Russia build democracy, and we are and want to do those things, but I would say to them that religious freedom is the cornerstone of democracy. Indeed, a democratic foundation without that cornerstone of religious freedom is a democracy that is built upon sand.

I hope that all Senators will join me in sending a strong signal to President Yeltsin that American dollars will not find their way to support any country that treats religious freedom in such a manner.

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

The PRESIDING OFFICER. Is there a sufficient second?

At the moment there is not.

Mr. MCCONNELL. Mr. President, I just walked back in the Chamber. I am not quite sure——

Mr. SMITH of Oregon. Mr. President, I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment there is not.

Mr. MCCONNELL. Mr. President, let me say that we will get a sufficient second for a vote on this amendment. I am told by the Democratic Cloakroom that it would be permissible to have a couple of votes around 12:30, and it is my plan to have a vote on the Smith amendment at about 12:30.

I also understand under the previous agreement we are to vote on final passage on energy and water in juxtaposition to that vote.

Mr. President, is that correct?

The PRESIDING OFFICER. The vote on final passage will follow the first vote on this bill. That is correct.

Mr. MCCONNELL. So, Mr. President, why don't I ask unanimous consent that we have a vote on the Smith amendment at 12:30.

Mr. President, I withhold.

Mr. President, we may have the ability to get the yeas and nays now. I ask for the yeas and nays on the Smith amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. MCCONNELL. Mr. President, let me say again we are not going to set the time for the Smith amendment now until we have had further consultation with the Democratic Cloakroom, but in all likelihood there would be two votes at 12:30, one on the Smith amendment and the other on final passage of energy and water.

AMENDMENT NO. 889 TO AMENDMENT NO. 888

Mr. SMITH of Oregon. Mr. President, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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, the pending business now is the second-degree amendment of the Senator from Oregon?

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. SMITH], for himself and Mr. NICKLES, proposes an amendment numbered 889 to amendment No. 888.

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

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

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION.

None of the funds appropriated under this Act may be made available for the Government of Russian Federation unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has enacted no statute or promulgated no executive order that would discriminate, or would have as its principal effect discrimination, against religious minorities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a signatory, including the European Convention and the 1989 Vienna Concluding Document of the Conference on Security and Cooperation in Europe.

This section shall become effective one day after the enactment of this bill.

Mr. SMITH of Oregon. 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. SMITH of Oregon. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I would like to voice my support for the Smith amendment prohibiting foreign assistance to the Government of Russia, should it enact laws that would discriminate against religious minorities and religious faiths in the Russian federation. As you eloquently pointed out, on July 4, and ironically on July 4, as we celebrated our precious freedoms in the United States the Russian Federal Assembly gave final approval to a bill which would seriously undermine religious freedom in Russia.

I was in Poland just 1 week ago, representing the Senate at an international conference, the Sixth Annual Session of the Parliamentary Assembly of the Organization for Security and Cooperation in Europe. At this conference, I had the opportunity to chair a bilateral meeting with the Speaker of the Russian Duma and we discussed this bill at length.

In that bilateral meeting were a number of deputies from the Russian Duma. I found that their concept of rights and freedoms were strikingly in contrast to our concept of freedoms, as embodied in our Constitution and in our American tradition. Repeatedly, as we discussed the proposed law that the Russian Duma at that point had already voted on—the upper body had

not yet at that point voted on it—it was clear that they viewed religious freedom, and in fact all rights, as being that which could be granted by the Government as opposed to our concept, embodied in our Constitution and our founding documents, that those rights and those freedoms are unalienable and endowed by our Creator—given by God. Therefore, as viewing rights as being something given by the Government, they saw no problem in removing the unlimited, unfettered right to freedom of religion.

I was alarmed at the attitude and the intransigence that we found, not only from the Speaker of the Duma but the deputies who were present, and their concept. They said, and I paraphrase but very close to what was said in this bilateral meeting, that we must protect naive Russians from cults—cults being a broad definition to include all of the so-called new faiths. Of course, Russia today is experiencing a tremendous renewal of religious faith. In, I think, a misguided effort to protect the Orthodox Russian Church, this law has been proposed. I said very frankly and very bluntly—and may I say Congressman CLEMENT from Tennessee, Congressman DINGELL from Michigan, and a number of other Members of the U.S. Congress were present during this bilateral meeting and echoed my sentiments—that this law proposed, passed by the Duma, now pending before President Yeltsin, is antithetical to and irreconcilable with a true concept of liberty and religious freedom.

Among the provisions in this bill that are most alarming is the requirement that religious groups list all of their numbers, their names, their addresses, a requirement that a commission be established—a commission of state experts—to review the doctrines and practices of groups applying for registration. It is unimaginable in this country, in which we have so enshrined the concept of religious freedom. There is a requirement under this bill that a religious group be in existence for 50 years in order to receive ''all Russian'' status, creating a division between religious associations and groups which could create a multitier religious hierarchy of different denominations. And then in this bill is a requirement that would deny for a 15-year period legal status to new religious groups, which could include those groups that refused to register under the Communist regime. Without legal status, these religious groups could not rent public space for services, they would find it difficult to conduct any financial activity, invite foreigners to Russia, or set up a church school for children.

There is no justifiable reason to divide religious organizations into two categories, one with full rights and privileges and the others with limited rights, limited privileges. This new Russian law discriminates against religious faiths by establishing a hierarchy of religious groups under the law and denying legal status to communities of believers.

When similar legislation threatened religious freedom in Russia only 4 years ago, Members of the House, Members of this body, the Senate, joined together in an urgent appeal to Boris Yeltsin to veto that legislation. Courageously, President Yeltsin stood firm. He refused to sign that bill into law.

Now we have an opportunity, thanks to the amendment of Senator SMITH of Oregon, to send a strong message to Russia that we will take concerted action to preserve this essential human right. This is potentially the greatest retreat on religious freedom and human rights since the fall of the Soviet Union, and it is an ominous sign about the future of that Republic. We must forcefully signal our grave concern by passing the Smith amendment. I hope my colleagues in the U.S. Senate will join with Senator SMITH of Oregon in sending that signal to the Government of Russia, and add encouragement and solidarity with the people of the Russian Republic.

I yield the floor.

Mr. HATCH. Mr. President, I wish to rise and join my colleagues in supporting the Smith amendment to the fiscal year 1998 foreign operations bill that would cut assistance to the Government of the Russian Federation if it enacts the onerous bill passed by the Duma last month entitled ''On Freedom of Conscience and Religious Association.''

Mr. President, this bill passed by the Duma is about restricting freedom of conscience and prohibiting the freedom of conscience. It is a major step backward for democracy and human rights in Russia. It takes Russia away from the West and the institutions that protect an individual's freedom of religion.

The bill passed by the Duma—promoted by an unholy alliance of Communists and Populists whose responsibility to the country appears to focus on restricting its citizens' ability to practice any faith they choose.

The measures in the bill are deeply objectionable. A few points are worth mentioning:

Religious groups must register with the government by 1998. In a blatant act of discrimination, the bill assigns different religions to different categories that will afford them different sets of rights.

For a religion to be deemed a religious organization, it will have to demonstrate that they have officially existed in Russia for at least 15 years. This means that the religion would have had to register under Communist dictator Leonid Brezhnev, at a time when the Soviet Union was officially atheistic and officially repressive to the pursuit of faith.

Religious groups not deemed in the official, first category of ''religious organizations'' would have greatly restricted rights. They would have no legal status. Members would have to be individually and officially registered. They groups could not rent public space for services, own property, conduct financial activity, invite foreigners to Russia, or set up church schools.

To register as a ''religious organization,'' a religious group would have to (a) be sponsored by a Russian religious organization, (b) undergo a 15-year registration period, and (c) have ''authenticity'' determined by a commission of state experts, who would review a faith's doctrine for admissibility. This state bureaucracy could deny registration to faiths on a wide range of practices, such as advocating nonmedical forms of healing, monasticism, conscientious objection, and proselytizing to minors.

Mr. President, the Duma bill on restricting religious rights is contrary to international conventions signed by Russia, including the Helsinki Treaty of 1989, which states:

> [Participating states] will take effective measures to prevent and eliminate discrimination against individuals of communities on grounds of religion or belief in the recognitions, exercise and enjoyment of human rights and fundamental freedoms in all fields of civil, political, economic, social and cultural life; and
>
> [participating states] will grant upon their request to communities of believers, practicing or prepared to practice their faith within the constitutional framework of the States, recognition of the status provided for them in their respective countries.

But if the Russian Government wishes to ignore its treaty obligations—which, from our record of arms control agreements, we must recognize is not a unique development—it is still shocking that the Duma egregiously ignores the Russian Constitution, which states:

> The state guarantees the equality of rights and freedoms regardless of sex, race, nationality, language, origin, property and official position, place of residence, attitude to religion, convictions, membership in public associations, as well as other circumstances. Banned are all forms of limitations of human rights on social, racial, national, language or religious grounds. (Art. 19)

It is indeed of great concern to me, Mr. President, that the Duma sees fit to legislate restrictions on individual rights at a time when Russian society is greatly suffering. Michael Specter of the New York Times recently wrote about the alarming downward spiral in the health of the Russian population. In that article, Specter notes that per capita alcohol consumption is the highest in the world; that Russia has a wider gap in life expectancy between men and women than in any other country; that of the nations of Asia, America, and Europe, Russia's mortality rate is ahead of only Afghanistan and Cambodia; and that the death rate among working Russians today is higher than a century ago. And the indicators are getting worse: the mortality rate for Russian men between 40 and 49 years of age increased by over 50 percent between 1990 and 1995. The reporter concluded: ''An astonishing drop in life expectancy for Russian men over the past decade, combined with one of the lowest birthrates on earth, has turned Russia into a demographic freak show.''

Mr. President, we can expect yelping from the supporters of this bill in the Duma. Delighted to frustrate President Yeltsin's every move, they will claim that international opprobrium against this bill is infringing on Russia's sovereignty. This is not a question of Russia's sovereignty, Mr. President. The calls and letters President Yeltsin has received from political and religious leaders around the world declare our concerns about the freedom of individual conscience in Russia, concerns their elected body should share, not patronize.

U.S. assistance is not an entitlement. It is a demonstration of our support for the emergence of democracy in a land cursed by communism for most of this decade. If Russia turns back to the night of authoritarianism, we should not squander our resources, Mr. President.

In the past 2 weeks, we have seen the announcement of the historic enlargement of NATO. The Russian Government opposed this, somewhat disingenuously, I believe, because its concerns where not reflecting the concerns of the Russian people, who are much more concerned with poverty, disease, and rampant crime and their Duma's incessant political posturing, than they are of an alliance that has no historic record of aggression.

Among those in the West, there were several groups of thinkers who supported this move. Perhaps they could be referred to as idealists and realists. The idealists hold a sense of optimism that believes that the enlargement of NATO is an expansion of democratic societies, which, history has shown, have a lesser tendency to go to war with each other. Certainly the history of NATO is clearly that of a defensive collective organization committed solely to its own defense.

The realists focused on an unpredictable future and a geopolitical vacuum. This temporal and spatial approach, traditional geopolitics, warns that we do not know the ultimate evolution of the Russian state. It argues that there is little historical experience of democracy in Russia.

The idealists focus on the internal aspects of NATO and the expansion of democracies. To idealists, the solution to Russia's concerns about NATO would occur when Russia is seen to have fully demonstrated its evolution to rule by democratic institutions. Because would NATO need to defend against such a Russia?

I would like to think of myself as an idealist, Mr. President. And I support the enlargement of NATO because I welcome Hungary, the Czech Republic, and Poland to the family of democratic nations. Their membership in NATO will work to preserve their democratic accomplishments.

But the developments in Russia—in particular this bill against religious freedom by the Duma—cloud my optimism. If Russia turns away from democracy in favor of an ill-considered exercise in demagogic politics, the realists, who fear a future authoritarian Russia and seek to prepare for it, will have their views confirmed.

Mr. President, I have long supported Boris Yeltsin. In fact, when he first came to the United States in the late 1980's, I was among the few who said, to the Republican administration at the time: ''You're focusing on the wrong guy, Gorbachev. This is the man to watch, and this is the man to back.'' Since then, I have strongly approved every time President Yeltsin stood bravely for democracy in Russia. When he stood on that tank in defense of Russia's nascent democracy, my prayers were with him.

I expect that President Yeltsin will veto this bill. That will make this legislation that we will pass today merely a demonstration that this body will stand for religious freedom in Russia. I will stand and applaud him when he vetoes this bill.

But if this bill becomes law in Russia, Mr. President. Our support for democracy in Russia has been dealt perhaps a fatal blow. We should not waste our funds promoting democratic development on a government that turns away from democracy. And if President Yeltsin signs the the bill against religious rights, Mr. President, I will pray for Russia.

Mr. BINGAMAN. Mr. President, I rise today to explain why I cannot support Senator SMITH's amendment to the foreign operations appropriations bill, S. 955, which we are debating here today.

I believe that Senator SMITH and others in this Chamber who vote in favor of this amendment have good intentions, but this amendment is not structured in a manner that I can support. This amendment would prohibit the United States from issuing foreign aid to the Government of Russia should it enact laws which would discriminate against minority religious faiths in the Russian federation. On the surface, this is a very well intentioned effort.

I understand and completely support the fundamental importance and right of religious freedom, a constitutionally protected right in our Nation, as I also appreciate the importance of other freedoms that we hold dear in the United States such as the freedom of speech and freedom to assemble.

However, Russia and many other nations have not organized their nations to provide the same degree of freedoms that our Nation provides. This is not an excuse for other countries; it is just simple fact. To tie our Nation's foreign aid decisions too closely to legislative outcomes in other countries—even absolutely egregious ones like the Russian law which recently passed the Duma restricting recognized faiths to those recognized by the former Soviet Union before 1984, including Orthodox Christianity, Islam, Buddhism, and Judaism—can have serious unintended consequences and disrupt national security objectives of our Nation. Through legislative actions such as this one which we are considering today, we can actually trigger the enactment of outrageous laws in other nations which could seriously damage the existing freedoms that citizens in other nations have.

We should realize that many other nations—including Israel, Egypt, Turkey, and other recipients of United States aid—would lose that aid if held to the same standard that we are proposing for Russia. Perhaps this is something that we should discuss here. But my sense is that we don't want a single measuring stick—and that today, we are focusing on Russia in a rather knee-jerk fashion. Russia needs to hear our concerns about religious freedoms, and I feel that we should pursue this matter and communicate United States objections to this Russian law in the many different arenas available to us in our engagement with Russia. However, this vehicle—as it is constructed—is not appropriate and could send matters in a negative rather than positive direction.

I think that the most important item left out of the drafting of this amendment is a national security waiver, which would permit the President to waive the provisions of this bill in cases where American national security were at stake. If this provision had been included, I may have viewed this amendment more positively.

Again, I believe firmly in the innate human right to worship as each individual sees fit. However, in my opinion, not only is this particular foreign aid provision an inappropriate vehicle to send that message abroad but it also ties the hands of the President in the execution of foreign policy and fails to allow for waivers which may very well be in the national security interests of the United States.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I commend the distinguished occupant of the Chair, the Senator from Oregon, for an excellent amendment. I was in the Senate when we started the Russian aid program. I would say to Senator SMITH and Senator HUTCHINSON, who spoke so eloquently in behalf of this amendment, the whole Russian aid program was predicated on the notion that we were going to have a Russia based on the principles of democracy, free speech and freedom of religion—the fundamental underpinnings of our Western society, led by the United States many years ago when we were largely alone in establishing these principles; that the new Russia, at least in those very basic respects, was going to be not dissimilar to the United States on these fundamental freedoms. And, as an enthusiastic supporter of Russian assistance, both in the beginning and since, I can tell you that is not assistance without stipulation. It is not assistance no matter how you act.

As I said in my opening statement, this foreign aid bill this year, if it

stands for anything, it stands for the notion that foreign assistance is not an entitlement. It is not something you get automatically this year because you got it last year. Foreign assistance is designed to promote American interests abroad. Foreign assistance is the only way that the Government directly impacts overseas, other than sending in the troops, which is expensive and dangerous. But, with the less than 1 percent of our budget that we devote to this activity, we must use it in a way that promotes American values as well as American interests.

So, the distinguished Senator from Oregon and Senator HUTCHINSON, who has spoken in his behalf in support of this amendment, have it exactly right. You have it exactly right. This is the sort of action that ought to jeopardize the Russian aid program. We ought not to be giving assistance to a country that, as a result of direct government initiative in what purports to be a democracy, is seeking to grant religious favoritism to certain kinds of religions at the expense of the others.

So, I commend the Senator from Oregon, Senator SMITH, for this outstanding amendment. I intend to support it. Again, I might say, we are hopeful that a vote on this amendment will occur around 12:30. That is not something I can announce yet, but we are hopeful it will occur around 12:30.

I would say to my colleague from Oregon, does he wish additional time to discuss the amendment?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. GORTON. Mr. President, what is the status of the bill?

The PRESIDING OFFICER. There are several amendments pending to S. 955.

AMENDMENT NO. 893

(Purpose: To express the sense of the Senate regarding the eligibility for NATO membership of Estonia, Latvia, and Lithuania)

Mr. GORTON. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I send an amendment to the desk and ask for its consideration.

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

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself, Mr. DURBIN, and Mr. MCCONNELL, proposes an amendment numbered 893.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING ESTONIA, LATVIA, AND LITHUANIA.

It is the sense of the Senate that Estonia, Latvia, and Lithuania—

(1) are to be commended for their progress toward political and economic reform and meeting the guidelines for prospective NATO members;

(2) would make an outstanding contribution to furthering the goals of NATO and enhancing stability, freedom, and peace in Europe should they become NATO members; and

(3) upon complete satisfaction of all relevant criteria should be invited to become full NATO members at the earliest possible date.

Mr. GORTON. Mr. President, last week the United States joined with our European allies to invite three nations to join the North Atlantic Treaty Organization [NATO]. Hungary, Poland, and the Czech Republic are deserving of this invitation. I congratulate them on their achievements and look forward to a strong and lasting relationship with the people of these nations.

Today I offer an amendment with my colleague, Senator DURBIN, and the distinguished chairman of the subcommittee, Senator MCCONNELL, to ensure that NATO expansion does not stop here. The Madrid summit was only the first step in our efforts to see to it that the nations of Eastern Europe and the former Soviet Union are brought firmly into democracy's camp. Further expansion of NATO is essential if democratic and economic reforms are to continue and if communism is to be eliminated entirely from the European Continent.

My amendment expresses the sense of the Senate that Estonia, Latvia, and Lithuania should be invited to join NATO at the earliest possible date. These three tiny nations, perched between the Baltic Sea and the northwestern border of Russia, have made remarkable strides since they gained independence from the Soviet Union in 1991. Estonia, Latvia, and Lithuania have all made significant progress toward the NATO requirements of irreversible democracy, free market economies, and civilian-controlled militaries. They have even participated in NATO's Partnership for Peace initiative by supplying troops to NATO peacekeeping efforts. The Baltic nations have requested and deserve consideration for full NATO membership.

From a history wrought with foreign interventions that tore them from their rightful place in the European mainstream and subjected them to the heavy hand of communism, the Baltics have emerged from the economic and political darkness to embrace democracy and the free market with unsurpassed vigor. If these nations are ever to continue on the road to democracy and economic reform, they must feel secure from the possibility of future foreign domination. The United States and NATO have an important role to play in providing that necessary security.

Having traveled to Estonia twice in the past 5 years, I have a very personal interest in its entry into NATO. The people of Estonia, much like their Baltic neighbors, have been under foreign rule throughout history. They were ruled by Germans in the 13th century, Swedes in the 16th and 17th centuries, Tsarist Russia in the 19th century, and the Soviet Union after World War II. With the end of Soviet domination, Estonians and their neighbors in Latvia and Lithuania are looking to the West for confirmation of their right to independence.

Unfortunately, the subject of NATO expansion to Estonia, Latvia, and Lithuania has become highly controversial. Many in the United States national security community believe the Baltics, lying so close to Russia and within the area Yeltsin considers to be Russia's sphere of influence, should not be considered for NATO membership. Out of fear of isolating Russia, the United States and our European allies may forsake the three tiny nations that did so much to promote the collapse of the Soviet Union and the eradication of communism throughout Eastern Europe. Now is the time for the United States take decisive action to rectify the past and protect the Baltics from any future foreign irredentism.

Future NATO membership for Estonia, Latvia, and Lithuania is essential to their safety and prosperity. Security concerns will take precedence over continued democratic and economic reforms if the Baltics continue to exist, unprotected, in the shadow of an increasingly nationalistic Russia.

We must be vigilant, Mr. President, in our efforts to extend NATO's reach to all democratic nations in Europe who cannot protect themselves. If we leave these nations exposed to the risk of foreign invasion and influence, the gains we made in expanding democracy and freedom across the globe will be vulnerable to erosion.

The United States must continue to set an example for the world as a promoter and protector of democratic freedom. As victors in the cold war, we have never had a greater opportunity than this to show democracy's enemies that we have the courage and the will to stand firm against them. We should embrace this historic opportunity and bring every nation deserving of NATO membership into democracy's fold, even those nations closest to the heart of Russia.

The people of Estonia, Latvia, and Lithuania have been out in the cold long enough. They should be commended for the great strides they have made already toward the requirements for NATO membership and would make an outstanding contribution to stability, freedom, and peace in Europe as NATO members. It is time the West welcome them into NATO with open arms.

I thank Senator MCCONNELL and Senator DURBIN for cosponsoring this important amendment, and I urge my colleagues to vote ''yes'' on inclusion of the Baltics in NATO.

Mr. President, to reiterate, this amendment was proposed by myself and by the distinguished Senator from Illinois, [Mr. DURBIN], as an add-on a week or so ago to the defense authorization bill and was accepted by the Senate unanimously at that point.

The Senator from Illinois and I, and I believe, with the happy assent of the manager of the bill, Senator MCCONNELL, are presenting it, once again, in the glorious aftermath of last week's meeting of the North Atlantic Treaty Organization in Madrid.

At that meeting, the Czech Republic, Poland, and Hungary were admitted to NATO. Several other nations who are applicants to NATO were not admitted but were put at least on the road toward meeting the qualifications for entrance into the North Atlantic Treaty Organization. Slovenia and Romania were put more or less at the front of that parade. But in Madrid, there were also represented the three small Baltic nations of Estonia, Latvia and Lithuania, small nations that have been independent for only a relatively short period during their long history.

Unlike the other applicants for the North Atlantic Treaty Organization, these three nations were, in fact, occupied by and incorporated into the Soviet Union from 1940, with a pause for German occupation, until just a very few years ago when they, once again, obtained their independence. None of those countries has any goal greater than being recognized as a part of the West, as being free countries, both politically and economically. No set of nations has been more oppressed by their neighbors than these three nations. None, I think, has a greater dedication to freedom, to liberty, to democracy, and to free markets.

This amendment simply states that we hope that these countries will be carefully considered for the North Atlantic Treaty Organization at such time as they have met all of its qualifications. The North Atlantic Treaty Organization, of course, was formed originally simply for the defense of the West, a task which was overwhelmingly successful. But as we note the response in the three countries about to be admitted, we find that the goals are psychic every bit as much as they relate to any kind of military defense. It ratifies the choices that these three new applicants made to be democracies, to be a part of the West, to care to attempt to catch up, to join what we consider to be the free and democratic world.

Exactly those same feelings are found in the other applicant countries, exactly those feelings are found in the Baltics.

This amendment is a modest way to encourage those three small nations to continue to move in the right direction by stating to them that when they are fully qualified, they will become members of NATO. On behalf of my cosponsors and myself, I urge the adoption of the amendment.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I commend my friend and colleague from Washington, Senator GORTON, for this amendment. As the Senator knows from previous discussions, I share his view that if we were establishing the parade, the next countries at the front of the parade clearly ought to be the Baltic countries. As a matter of fact, as my friend from Washington knows, we included in the bill $20 million in grants and loans to the three Baltic countries, just as we provided financial assistance last year to Poland, Hungary and the Czech Republic in order to help them upgrade their militaries in order to seek to achieve a level of acceptance for admission to NATO.

So I think the amendment of the Senator from Washington, of which I am a cosponsor, is an excellent addition to this debate, and I completely share his views. The countries are most worthy for admission to NATO. We have recognized their independence throughout the cold war. They are doing an awful lot of things correctly. These countries are making enormous progress, and some have argued that they have done every bit as well as Hungary, Poland and the Czech Republic, if not even better.

So I commend my friend from Washington for his amendment. I think it is an excellent amendment.

Mr. GORTON. I thank the Senator from Kentucky for his kind remarks.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. MCCONNELL. Mr. President, does the Senator from Washington hope to get a recorded vote on this?

Mr. GORTON. No, a voice vote will be sufficient.

The PRESIDING OFFICER. If there is no further discussion or debate on the amendment, the question is on agreeing to the amendment proposed by the Senator from Washington.

The amendment (No. 893) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL. 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. 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.

PRIVILEGE OF THE FLOOR

Mr. MCCONNELL. Mr. President, I ask unanimous consent to permit Lesley Carson, a fellow working with the minority side of the Foreign Operations Subcommittee, to have floor privileges during the pendency of this bill.

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

AMENDMENT NO. 885

Mr. MCCONNELL. Mr. President, one of the managers' amendments we will be voting on—actually approving on a voice vote at some point during the debate—relates to our friends in Egypt. I want to make a few observations about the current relationship between the United States and Egypt.

Since the Camp David accords were signed in 1979, United States foreign assistance to Egypt has topped $42 billion. While some progress has been made in the last 16 years, I think it is important to point out the obvious, which is Egypt's role has changed and changed significantly.

Let me review the record so there is a better sense of why the bill reported from the committee did not include the longstanding earmark for Egypt.

First and foremost, Senator LEAHY and I tried this year to get our aid program off autopilot. Our domestic agencies and programs have been put through the budget ringer to determine where we could reduce spending. Foreign aid obviously should not be exempted from this critical appraisal. As we conducted this review, we established very simple tests for evaluating performance. Does the program serve U.S. interests in stability, democracy, and market economies? Are U.S. resources well invested and well spent?

The basic principle which has guided the provision of support in the Middle East has been a shared commitment to the Camp David accords and the promotion of peace. Unfortunately, Egypt's record over the last 2 years indicates a shift away from that commitment.

Let me begin by referring to a letter sent by 25 Senators to President Mubarak last July following an Arab summit convened in Cairo.

I ask unanimous consent that the letter and the communique issued at the summit be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. McCONNELL. Mr. President, let me just quote from the letter. The Senators said in that letter:

> We are concerned that the communique issued at the end of the summit compromises prospects to advance negotiations with the new, democratically elected government of Israel. We believe that limiting or conditioning options for peace discussions with the newly elected government of Israel before its policies have been officially formulated damages prospects for peace. Threats from countries of the Arab League to ''reconsider steps taken in the context of the peace process, in relation to Israel'' do little to enhance successful negotiations. . .

The letter went on:.

We are especially troubled that a leader of your stature created a forum, including Libya and Sudan, which question Israel's right to exist.

Inviting Libya and Sudan to Cairo to condemn Israel is not the kind of initiative which serves peace or, for that matter, should be rewarded with another $3 billion.

The July Cairo summit was followed in late September 1996 by an escalation in tension between Israelis and Palestinians over the so-called tunnel crisis. When violence erupted in the streets, President Clinton called upon Prime Minister Netanyahu, Chairman Arafat, King Hussein, and President Mubarak to come to Washington to negotiate a solution. Every leader came except Mubarak. Every leader had as much to gain and certainly a great deal to lose if the discussions failed. Every leader knew there were costs associated with a high-profile summit which might not relieve tensions.

Only President Mubarak decided it was not worth his time or effort to continue a crucial dialogue with the simple objective of salvaging the peace process. After refusing to participate in this summit, President Mubarak decided to convene another Arab roundtable. In March of this year, he called together the Arab League in Cairo where the foreign ministers passed a resolution which is worth taking a look at. The text read:

The Council recommends as follows: (1) stopping all normalization steps which have been taken with Israel in the framework of the current peace process, and halting all dealings with it, including closing offices and missions. . .and (2) Suspending Arab participation in the multilateral talks and continuing to maintain the primary Arab boycott and reactivating it against Israel.

Mr. President, this is not a resolution of peace. We should see this just for what it was as described by the Arab League's Secretary General, ''binding'' and an open declaration of hostility.

This summit was followed by a crisis in negotiations over the redeployment of Israeli troops in Hebron. There is no question that the Egyptian leadership consistently and actively worked against a resolution of each contentious issue. From hot pursuit to the use of the Shuhada Road, the message from Cairo was provocative and counterproductive.

Finally, and of most alarm, is Egypt's relationship with Libya. I mentioned the invitation to the Cairo summit. That is just the tip of the iceberg. President Mubarak ended a recent visit to Tripoli announcing the goal of establishing $1 billion in annual trade and a free trade zone, a goal made all the more interesting when contrasted with the current level of $82 million in annual trade with Israel. $1 billion in trade with Libya, $82 million in trade with Israel.

Let us remember that Libya is the target of tough U.N. sanctions which imposed an air, arms, and diplomatic embargo in 1992 when Qadhafi failed to extradite two terrorists linked to the Pan Am bombing which killed 270 people. The sanctions were extended when Libya failed to cooperate in the investigation into the bombing of a French airliner which killed 171 passengers.

Sanctions against Libya are not the peculiar position of the United States; they are a matter of international consensus—international consensus—that is, with the exception of Egypt.

In May, President Mubarak denounced the embargo because, in his words, it has ''gone on for too long.'' He also challenged international charges that Libya has a chemical weapons capability. Not so, says Mubarak.

As recently as January, when I joined Senator STEVENS and a number of other Members on a trip to the Middle East, we heard the Defense Minister describe Libya as a country undergoing economic reforms and political liberalization and a key security ally. This was the Egyptian Defense Minister discussing Libya.

This Egypt-Libya relationship is probably why families of Pan Am 103 victims have called my office to express their support for removing Egypt's $3 billion earmark.

Mr. President, I have chronicled the collapse of Egypt's role in the peace process not to incite but to invite change. We have had a successful partnership with Egypt which has certainly endured difficulties and setbacks, but they have been on the whole temporary and intermittent.

For 18 months we have seen a significant shift in the wrong direction in Egyptian policies. We have moved from a road of periodic bumps into a long, deep policy ditch, which we must find our way out of.

Eliminating the earmark was intended to send the signal that our support will not continue no matter what choices Egypt makes. We will not sustain an ally, and advocate of Libya. It makes no sense to offer assistance to opponents of the peace process.

I am convinced the message has been heard. Coincidental with the Senate action, we have seen senior Egyptian officials resume constructive and active efforts to advance the peace process. I am satisfied, as I am sure the Israeli leadership is, that Cairo has resumed the crucial role we know it has, and can play to stabilize the region and secure a durable peace.

Because I believe good faith is being restored, and the goals of the Camp David agreement are once again being served, I will be supporting an amendment, which in fact I have already offered, which will earmark the requested level of funds for Egypt.

But let me just repeat, Mr. President, our assistance to the countries abroad is not an entitlement. This is not something you get every year based upon having gotten it last year. American assistance is geared to behavior. It is my hope that the Egyptians are back on track and willing to resume being a constructive partner in the Middle East peace process. Clearly, Mr. President, that is the key to continued U.S. assistance to Egypt.

EXHIBIT 1

U.S. SENATE,
Washington, DC, July 26, 1996.

His Excellency, MOHAMMAD HOSNI MUBARAK,
President of the Arab Republic of Egypt.

DEAR PRESIDENT MUBARAK: We are writing to express our deep dismay about the communique issued at the Cairo summit.

It had been our hope that heads of state and representatives of Arab countries attending the June 21, 1996 Cairo summit would refrain from statements directed against the new Israeli government that might create an atmosphere in the region unfavorable to a continuation of the peace process.

We are concerned that the communique issued at the end of the summit compromises prospects to advance negotiations with the new, democratically elected government of Israel. We believe that limiting or conditioning options for peace discussions with the newly elected government of Israel before its policies have ever been officially formulated damages the prospects for peace. Threats from countries of the Arab League to ''reconsider steps taken in the context of the peace process, in relation to Israel'' do little to enhance successful negotiations, and instead may undermine efforts to reach a comprehensive peace in the region.

We are especially troubled that a leader of your stature created a forum for Arab League countries, including Libya and the Sudan, which question Israel's right to exist. In light of the past leadership role the Egyptian government has played, we had hoped that Egypt would reach out to the new, democratically elected government in a way that would advance the peace process.

Peace in the Middle East Peace can only be expanded if the Arab countries remain engaged with Israel in the pursuit. We urge the government of Egypt and other members of the Arab League to work toward that goal.

Sincerely,

Mitch McConnell, Barbara A. Mikulski, James Inhofe, Carol Moseley-Braun, Frank R. Lautenberg, Alfonse M. D'Amato, Daniel K. Inouye, Bob Smith, Don Nickles, Joseph I. Lieberman, Paul Wellstone, John D. Rockefeller, Charles E. Grassley, Tom Harkin, Connie Mack, Dirk Kempthorne, Larry Pressler, Phil Gramm, Orrin G. Hatch, Rod Grams, Christopher S. Bond, Arlen Specter, Jon Kyl, Thad Cochran, Olympia J. Snowe.

PARTIAL TEXT OF FINAL ARAB SUMMIT STATEMENT

CAIRO, June 23.—Following is a partial text of the final statement issued by the Arab summit which ended in Cairo on Sunday.

In response to the kind invitation of his excellency President Mohamed Hosni Mubarak, President of the Arab Republic of Egypt, their majesties, excellencies, highnesses, presidents and emirs of Arab states convened a summit conference in Cairo in the period Safar 5 to 7, 1417, which coincided with June 21 to 23, 1996.

With pan-Arab responsibility as their starting point, the Arab leaders affirmed that achieving comprehensive and just peace in the Middle East requires that Israel withdrew from all occupied Palestinian land, including Arab Jerusalem, and enable the Palestinian people to exercise their right to self-determination and set up an independent Palestinian state with Arab Jerusalem as its

capital, considering that the Palestinian question is the essence of the Arab-Israeli conflict. The Arab leaders also demanded complete Israeli withdrawal from the Syrian Golan to the line of June 4, 1967, and complete and unconditional Israeli withdrawal from south Lebanon and the western Bekaa to the internationally recognized borders, in implementation of Security Council resolutions 242, 338 and 425, and the principle of land for peace. On this basis they call for the resumption of negotiations on all the tracks.

''The commitment of the Arab states to pursue the peace process to achieve just and comprehensive peace is a goal and strategic choice to the achieved under the umbrella of international legitimacy and it requires a reciprocal commitment, confirmed by Israel seriously and without ambiguity, and action to complete the course of peace, restoring rights and occupied land and guaranteeing balanced and equal security for all the states in the region, in accordance with the principles agreed at the Madrid conference, especially the principle of land for peace and the assurances submitted to the parties. The Arab leaders assert that any violation on Israel's part of these principles and the fundamentals on which the peace process started, or backtracking on commitments, undertakings and agreements which have been reached in the framework of this process, or procrastination in implementing them would lead to a setback in the peace process, with all the dangers and repercussions that this implies, taking the region back to the cycle of tension, which would force all the Arab states to reconsider the steps that have been taken towards Israel in the framework of the peace process, full responsibility for which Israel alone would bear.

* * * * *

In order to make the peace process succeed on the Syrian, Lebanese and Palestinian tracks, the Arab leaders call on the sponsors of the peace process, the European Union, Japan, the non-aligned states, other interested states, the United Nations and international organisations and institutions to work to ensure that Israel does not violate the fundamentals of the peace process, fulfills the undertakings to which it has given a commitment, whether related to the agreements on the transitional stage or to the final status negotiations * * * and to continue to provide the necessary political and economic support to the Palestinian people and their National Authority. In this context the Arab leaders said the Israeli blockade imposed on the Palestinian people must be ended.

* * * * *

The Arab leaders affirm their support for Lebanon as it faces constant Israeli attacks on its territory, peace and sovereignty and asked the international community to ensure an immediate and unconditional cessation of these attacks.

* * * * *

The Arab leaders affirm that Israel must join the Nuclear non-proliferation Treaty and submit all its nuclear installations to the system of international inspection.

* * * * *

The Arab leaders express their solidarity with the sisterly state of Bahrain and their complete support for the measures it has taken to strengthen security and stability. They expressed their strong condemnation of interference in the internal affairs of the state of Bahrain, affirmed that they stand with it against any threatening attempts from any party whatsoever and call on Iran to respect the sovereignty of the state of Bahrain, in the framework of mutual respect and good neighbourly relations, by preventing any acts of sabotage which target the state of Bahrain, in the interests of security and stability in the region.

* * * * *

The Arab leaders expressed their hope that the traditional Arab-Turkish relations and joint interests will continue, and in this context they *expressed their concern at the Turkish-Israeli military agreement and call on Turkey to reconsider this agreement to avoid anything that would affect the security of Arab states.*

* * * * *

The Arab leaders reaffirm their commitment to the need to preserve the unity of Iraq and their opposition to any policies or measures which affect its territorial integrity and threaten its borders and national unity. They demand that the Iraqi government commit itself not to adopt any aggressive policies designed to provoke its Arab neighbors and to finish implementing all the relevant Security Council resolutions * * *

All this is the right way to bring an end to the sanctions imposed on Iraq and create the right atmosphere for it to regain its role in the Arab regional system.

* * * * *

The Arab leaders believe that the Arab League's proposal to hold an impartial and just trial of the two (Lockberbie) suspects by Scottish judges under Scottish law in The Hague, with the necessary guarantees for them * * * represents an appropriate practical solution leading to an end to the crisis. They call on the three Western states to take a positive attitude towards this proposal * * *

* * * * *

At the same time as the Arab leaders condemn attempts to pin the charge of terrorism on legitimate national resistance, they condemn all forms of acts of terrorism, sabotage and anarchy of which a number of states are victim.

* * * * *

It was agreed that:

His Excellency President Mohamed Hosni Mubarak, President of the Arab Republic of Egypt, *as chairman of the present summit, will carry out the necessary contacts and consultations with the Arab leaders and the Secretary General of the League of Arab States to follow up and agree on holding the next summit.*

Mr. McCONNELL. Mr. President, I ask unanimous consent that Senator ABRAHAM be added as a cosponsor to the Egypt amendment which I was just discussing, which is No. 885.

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

Who seeks time?

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, let me begin today by thanking the managers of this bill, Senator MITCH MCCONNELL and Senator LEAHY, for their leadership in bringing this bill to the floor so quickly. They have had a very tough job managing the foreign assistance programs that are undertaken by our country. In this bill what they have produced merits the support of every Member of the Senate.

Mr. President, at the committee meeting, several Members, including myself and Senator BYRD, were not comfortable with the deletion of the earmark for assistance to Egypt. We certainly do understand Senator MCCONNELL's position. We were together in Cairo at the meetings that he mentioned. But after consulting with the subcommittee chairman, Mr. MCCONNELL, we decided the best way to proceed was to come to the floor and have a discussion.

I want to now call up the amendment No. 885 that is before the Senate, at the desk, as I understand it. I ask unanimous consent it be in order to consider that at this time.

The PRESIDING OFFICER. The Senator has the right to call up amendment No. 885 for consideration. That is now the pending question.

Mr. STEVENS. I want to thank those who have cosponsored this amendment, in particular Senator MCCONNELL. It is a managers' amendment and will restore the balance in the allocation of funds for our partners in the Middle East process.

Egypt has had problems. We all know that. And yet it stands out as one of our Nation's most important global allies. It really is the bedrock of our engagement with the Arab world. Simply put, Mr. President, there would have been no Middle East peace process without commitment of Egypt and the personal leadership that was displayed by President Sadat, and then by President Mubarak.

I say this not just as an advocate of the peace process but as a Senator who has traveled many times to the Middle East. I have witnessed Egypt's evolving role. During the gulf war, Senator INOUYE and I made two trips to that region, one at the request of the President of the United States, to assess what was happening with regard to our military plans, and to meet with our key allies. We found, then, in President Mubarak, a friend and a leader who aligned his great nation with the alliance, and when he did, he brought the rest of the Arab world along. In the years since the gulf war, Egypt has remained at the center of our Nation's efforts to maintain calm in the gulf area and to advance the peace process.

As Senator MCCONNELL said, earlier this year, we had a delegation that went to Israel, Jordan, Gaza, Egypt, Kuwait and Saudi Arabia. Mr. President, at each stop I became more aware of and convinced of trying to do everything we can to assure the continuation of our 20-year partnership with Egypt in the peace process.

Now, the things that Senator MCCONNELL mentioned did happen. But late this spring President Mubarak came to Washington and met with our President and congressional leaders. In those talks he again showed his personal enthusiasm and dedication to the peace process. It was very evident, as was his determination to keep Egypt engaged in that process.

Based upon the continuum of the track record of Egypt's support for the peace process, and my personal experience working with Egypt on so many vital national security interests, and we do have others, Mr. President, beyond the peace process itself, I believe

it is imperative that we show the equity in the identification of funds for foreign assistance once again this year. Maintaining a strong and economically developing Egypt is an essential piece of this Nation's total Middle East strategy.

I believe President Clinton summarized the current state of relations of Egypt very well during President Mubarak's visit early this year. President Clinton said:

> Since the Camp David Accords in 1979, Egypt has been a powerful force for peace in the Middle East. That has continued to be true through the last 3½ years—a time of extraordinary progress towards peace and repeated challenges. Now, as Israel and the Palestinians embark on the difficult task of permanent status negotiations, as we look to revive negotiations between Israel and Syria, and then bring Lebanon into the process to complete the circle of peace, we know that Egypt's leadership will be vital to finish the job.

That is President Clinton's statement earlier this year about Egypt.

After 20 years of commitment and investment in this effort, this is just not the time to put at risk all that we have achieved. I welcome the support of the other cosponsors of this amendment and I am sure there are other Members who share our concern that our ties to Egypt remain strong and we continue to foster and support this alliance.

This is not to say that Egypt should not listen to the words that Senator MCCONNELL has delivered here this morning and to the statements he made in the committee. I believe we are all grateful to Senator MCCONNELL for his willingness to work with us in this matter. If there is to be any change in our status with regard to Egypt in this process, I believe it must be done on a bipartisan basis with the President involved. At this time I am hopeful that will never have to happen but, as a matter of fact, the modification of this bill before the Senate, I think, that shows our willingness to go back to the process that has been followed in the past, I hope, will make a significant contribution to the Middle East peace process and will help us advance the interests of the United States there and in other regions with Egypt's support and collaboration.

I do, however, believe there are reasons for us to make sure everyone understands, as Senator MCCONNELL said, that the provisions of support from this bill are not an entitlement. These are funds that are dealt with on an annual basis by our Government, the Senate and the House, the full Congress, as part of that process. It is my judgment that it has been a bipartisan process that has included both the executive and congressional leaders and leadership in the past and I think it should continue that way again this year.

I do hope that our friends in Egypt—and I don't have to hope, Mr. President, I know they have heard Senator MCCONNELL's statement, and I know they are aware that there have been questions raised, but based upon this continuum that has taken place, the friendship and cooperation and the important contributions that Egypt has made to the attainment of our goals in the Middle East, I have offered this amendment with my friends. It is a managers' amendment. I do ask that the Senate consider this amendment now.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from Kentucky?

The question is on agreeing to the amendment.

The amendment (No. 885) was agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

Mr. STEVENS. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, let me again thank Senator MCCONNELL and Senator LEAHY and their very capable staff for all the work they have done, and to once again urge the Senate cooperate with these managers of this bill the way it has with those who managed the defense bill and energy and water bill.

We are working and striving hard to get the bills to conference before we go to August recess. I would like all of them to go to conference, if possible, before August.

Mr. MCCONNELL. I just say to my friend and colleague before he leaves, we are optimistic we can finish this bill today. We are speeding in that direction.

Mr. STEVENS. I am here to assist.

AMENDMENT NO. 889

Mr. NICKLES. Mr. President, I wish to speak in favor of the amendment of Senator SMITH of Oregon, which would try to protect religious liberty in Russia. I want to compliment my colleague from Oregon for this amendment. In my opinion, it is probably one of the most important amendments we will debate, certainly on this bill—maybe this Congress.

Unfortunately, and I guess most of my colleagues are aware of this fact, the Russian Duma overwhelmingly voted to place restrictions on religious freedom in Russia, freedoms that were both won after the collapse of communism and guaranteed by the 1993 Russian Constitution. The overwhelming vote by the Duma is a tremendous step backward for Russia and for its people.

The legislation approved by the Duma would place severe restrictions on religions not recognized by the government in 1982, a time when the Soviet Government was in power, a time characterized by religious persecution and official atheism. In 1982, as I understand it, the only four religions recognized by the Russian Government were the Russian Orthodox church, Judaism, Islam, and Buddhism.

As I understand this legislation, it would deny religions that entered Russia after 1982 the right to rent or own property, the right to employ religious workers, the right to produce religious literature, maintain a bank account, or conduct charitable and educational activities. According to an article that appeared in the June 24 edition of the Washington Post, it would sharply restrict the activities of foreign missionaries in Russia.

I hope my colleagues are aware of this. I was not aware of it until my colleague from Oregon mentioned it to me. I cannot believe that the Duma would pass something by such an overwhelming vote that would deny religious opportunities to the Russian people. Maybe one of the most important of all liberties is the right to worship as one would choose. It is guaranteed by the 1993 Russian Constitution. Yet they would pass legislation basically grandfathering four established religions, but outlawing other religions, such as the Mormon church, the Roman Catholic Church, and untold other numbers of minority religions in Russia.

The Reverend Gleb Yakunin, an orthodox priest, said in a news report carried by the June 24 edition of the London Times, that the bill was ''openly discriminatory'' and ''The bill is effectively aimed at reinstating Soviet religious policy.''

I believe the reverend's statement is true. I believe putting restrictions on the religions that have recently entered Russia will have the same effect of not allowing many people to practice their religions. If religions are unable to carry out charitable activities, how can members of various churches practice their religion?

Christian missionaries who are following the admonition of Christ would not be allowed to do so in Russia. Many remember when Billy Graham went to Russia several years ago. He had an overwhelming reception. Would foreign missionaries not be allowed? Would people that gather be allowed to reproduce materials? I think the reproduction of materials would be banned under the bill that was passed by the Duma. Hopefully, Mr. Yeltsin will not sign this bill. I think it is extremely important he not sign this bill.

According to Lawrence Uzzell, Moscow representative of the Keston Institute, which studies religious life in Russia and Eastern Europe, of the 102 Catholic priests and 112 nuns serving in Russia, all but a handful are foreigners. In fact, Mr. Uzzell reports that a Catholic priest in Belgorod was recently told he could not celebrate mass there because his parish is a foreign religious organization.

I think this report confirms what I suspected, that this bill passed by the Duma would not only put restrictions on these religions, but have the effect of denying the opportunity to many to practice their religion.

So I want to thank my colleague from Oregon for his amendment. Again, it may be one of the most important amendments.

What is the effect? It says no money under this bill, the foreign operations bill, will go to Russia if President Yeltsin signs this bill into law or if it becomes law, or if he issues an executive order that will ban religious freedom as guaranteed under the Russian Constitution.

I think it is a very appropriate amendment. Some people will argue this is too heavy of a hammer. I think we need to get their attention. What they are doing by outlawing many religions, basically most Christian religions and organizations, banning those, outlawing those from Russia, I think, would be a terrible, terrible thing to happen to the Russian people. They should not be forced into any religion. We should certainly encourage religious choice and opportunity for all the Russian people.

Some will say, what is the effect of this amendment? This amendment says no economic assistance will be going to Russia if the President signs this bill or if he issues an executive order which will ban religious freedom in Russia. How much economic assistance does Russia receive? I think last year it was $90-some million, and the President requested $195 million in this bill. It is not earmarked, so we don't have the specific amount. Would this tie the President's hands? This would give real leverage to the administration to tell Russia, this should not become law.

We need to respect individual religious liberty in Russia and not allow—and certainly not encourage—religious liberty to be trampled. I believe we should use what economic forces we have to ensure this doesn't happen. We don't have to give this economic assistance to Russia. We haven't done it for years. We just started a couple of years ago. Many of the programs that we are funding in the foreign ops bill are worthy programs, where we encourage democracy, encourage free enterprise. That is very positive. But we don't have to do it.

Maybe we should tell them if they are going to pass this kind of bill, we are not going to do it. If they are going to pass a bill in Russia to deny Baptists the opportunity to distribute materials or to have employees in Russia, then maybe we should not be giving them economic assistance. Maybe we need to use a heavy hammer to get their attention that this is very serious.

One of the most important freedoms we have, protected by our first amendment, is religious freedom. It is also protected in the Russian Constitution. We should encourage the Russian Government to protect religious freedom, not take it away. So, yes, this is an amendment that has a heavy hammer. It says we are not going to give economic assistance.

I noticed a memo from the administration in opposition to this amendment, which says our assistance money is used to reduce the number of nuclear weapons and improve security over nuclear materials in Russia. We are not touching that. That is covered by the DOD bill. I encouraged the Senator from Oregon to consider putting it on that bill because I wanted to get their attention early. President Yeltsin hasn't signed this bill—our friend, President Clinton's friend, George Bush's friend. He hasn't signed the bill yet. We want to get his attention before it is too late. This is the proper bill. So it doesn't have anything to do with Nunn-Lugar money, or national defense. It does have some money in there for economic assistance.

As I mentioned, the President's request is about $190 million. We probably won't fully fund it. But we don't have to fund it at all if they are going to pass a bill denying religious freedom and opportunity for the Russian people.

So I compliment my colleague from Oregon for an outstanding amendment. I hope we will have an overwhelming vote, maybe 100 to 0, in spite of what the memo says. Let us have a 100 to 0 vote to show that we believe very strongly that religious freedom is very important and we are willing to put it on the line that we will fight to help protect religious freedom throughout the world and certainly in Russia.

So, Mr. President, I compliment my colleague from Oregon. I hope all my colleagues will support this amendment.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I ask unanimous consent that the pending amendment be set aside.

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

AMENDMENT NO. 894

(Purpose: To provide conditions for funding North Korea's implementation of the nuclear framework agreement)

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 894.

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

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

The amendment is as follows:

At the appropriate place in Title II, insert the following ''*Provided further,* That funds appropriated under this heading to the Korean Peninsula Economic Development Organation (KEDO) may only be obligated if the Secretary of State certifies and reports to the Congress that during the fiscal year the military armistice agreement of 1953 has not been violated by North Korea.''

Mr. MURKOWSKI. Mr. President. At 10:40 a.m. Tuesday morning along the demilitarized zone between North and South Korea, North Korean soldiers exchanged heavy gunfire with South Korean troops. This is accurately described as the most serious clash on the Korean Peninsula since a North Korean submarine full of special forces went aground off South Korea's coast last September.

According to news reports, 14 North Korean soldiers crossed the military demarcation line and traveled 70 meters into the DMZ. South Korean border guards used a loudspeaker to order the North Koreans back. When the North Koreans failed to respond, South Korean soldiers fired some 200 warning shots in the air.

The North Koreans responded by firing their rifles at the South Korean soldiers, who then directed fire at the North Koreans using rifles and machine guns. North Korean soldiers returned fire. And although reports are in dispute, it appears there was at least one mortar round fired by the North Koreans.

The firefight lasted for over 1 hour before the North Koreans stopped firing and withdrew.

Mr. President. Why do I come to the floor and talk about an artillery exchange thousands of miles away? There are several good reasons why Americans should pay attention to what is going on on the Korean Peninsula.

First, I don't need to remind my colleagues that I am talking about the DMZ where 37,000 American troops stand guard across from a 1.1 million man North Korean army.

Second, according to a GAO report that I requested last year, the United States has sent over 115 million taxpayer dollars in combined food aid and to support the Korean Economic Development Organization [KEDO], which is tasked with sending heavy fuel oil to North Korea and carrying out other activities under the agreed framework signed in October 1994.

Just yesterday, the administration announced that the United States will donate an additional $27 million worth of surplus grain to North Korea.

And today, in the foreign operations appropriations bill, there is an additional $44 million appropriated for KEDO, subject to certain conditions that Senator MCCAIN and I added to last year's appropriation bill.

Now $200 million may be a small price to pay to achieve peace on the Korean Peninsula, and I am not arguing about the money per se. But if there was ever a case of a recipient biting the hand that feeds it—it is North Korea.

Incident after incident—from the submarine incursion to this latest round of gunfire—is dismissed as ''not intentional'' or not ''serious'' enough to derail U.S. assistance under the agreed framework. After the North Korean submarine landed on South Korean shores, our administration asked for ''both sides to show restraint.'' I was outraged that we asked our South

Korean allies to ''show restraint'' when it was their country that had been invaded by commandos.

I understand that right now the administration is preparing a response to this latest violation of the Military Armistice Agreement. And true to form, the administration is asking once again that this issue not be ''blown out of proportion''. Not blown out of proportion?

I think we should be outraged at North Korea's continued belligerent actions that are clearly designed to intimidate. The South Koreans did nothing wrong today, unless you think defending one's borders and shooting in self-defense is wrong. I hope the administration's statement recognizes that reality and does not even implicitly agree with the North Korean foreign ministry propaganda claiming that their soldiers were acting in self-defense.

That is why in offering this amendment, Mr. President, I would condition further funding—this is the important part of the amendment—on a certification from the President that North Korea has not violated the Military Armistice Agreement of 1953.

Although I have very strong reservations about the agreed framework, which I have expressed on this floor from time to time, and particularly because North Korea does not have to submit to inspections that were required 5 years ago, for several more years—and this is in association with the construction of the light water reactors that Japan, the United States, and South Korea are assisting in—I have supported continued funding for KEDO, subject to specific conditions that are spelled out in the bill. But I now believe that these conditions should be expanded to ensure that North Korea belligerency comes to an end.

If the North Koreans want economic assistance from the United States, they are going to have to learn that their troops and munitions ought to stay on their side of the border. Their people, unfortunately, don't have enough to eat. Many of them are starving. We continue to help them with food assistance and humanitarian assistance. Yet, they continue to use their military to provoke those who would help them.

I think it is time for the administration to stop appeasing this tyrannical and barbaric government that has brutalized the people of North Korea for more than 45 years. We, in effect, are supporting a government that would probably fall by its own weight. I am not suggesting that it is not a very dangerous situation with the 1.1 million men in arms. I am not suggesting that the regime isn't dangerous, in the sense of being very unpredictable. But they have to get the message that they can't bite the hand that feeds them. We continue to assist North Korea even while that Government continues a very aggressive posture.

If the administration cannot certify North Korean compliance with this amendment, I think financial assistance must come to an end. If the President can make the necessary certification that the North Koreans have not violated the Military Armistice Agreement of 1953, I certainly would not stand in the way of meeting our commitments to KEDO. But I think the North Koreans should certainly get the message that they simply cannot continue to operate under the theory that anything goes with regard to its commitment to KEDO.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. I say to my friend from Arizona, if I could just propound a unanimous-consent request, then I will yield the floor.

It is my understanding it has been cleared on the other side of the aisle for there to be a vote on the Smith amendment at 2 o'clock. It is my understanding, based upon a previous agreement, that would also trigger a vote on final passage on the energy and water appropriations bill.

Therefore, if I am correct about that, I ask unanimous consent that a vote on the Smith amendment occur at 2 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCONNELL. I remind my colleagues there will be two votes, back to back, at 2 o'clock, one on the Smith amendment and one on final passage of energy and water.

I yield the floor.

Mr. MURKOWSKI. Mr. President, it is my intention to ask for the yeas and nays on my amendment that is pending.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. MURKOWSKI. It is my intention to ask for the yeas and nays on my pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I am working and my staff is working with the Senator from Alaska right now so that I can cosponsor this important amendment regarding Korea. We have some details we would like to iron out as to the language of the amendment that I am confident we can agree on.

Mr. President, we all know that there has been another North Korean-initiated altercation in the demilitarized zone that separates it from the South.

According to preliminary reports, a small number of North Korean soldiers entered South Korea and refused an order from the South to withdraw. When the North Korean soldiers ignored the verbal warning, the South Korean soldiers fired warning shots, to which the North responded with a mortar and artillery barrage.

My reason for bringing this up is to ensure this latest event involving North Korea is placed squarely in its proper context. On Monday, the Clinton administration announced that it is doubling the amount of food assistance it intends to supply to Pyongyang to alleviate some of the suffering from the famine resulting primarily from 50 years of totalitarian rule and exacerbated by intense flooding. I am not here to argue against providing food to starving people; I am here to reiterate the futility of expecting humanitarian gestures to the most belligerent regime in the world to beneficially affect its behavior.

Nobody knows what is going on inside the minds of North Korea's leaders, especially the presumed head of government, Kim Jong Il. So thoroughly closed off to the outside world as the North Korean Government has been since its post-World War II inception, that details on its inner workings have been more elusive than for the Soviet Union during its most closed and totalitarian period. One incontrovertible fact remains, however: North Korea has an extraordinarily consistent pattern of alternating minor and manipulative gestures of goodwill with acts of terror and provocation toward its South Korean neighbor unseen anywhere else in the world.

To illustrate this pattern of provocation and terror, I ask unanimous consent to submit for the RECORD this list of such individual acts spanning the period 1958 to March of this year.

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

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, March 27, 1997.

To:

From: Rinn S. Shinn, Analyst in Asian Affairs, Foreign Affairs and National Defense Division.

Subject: History of North Korean Terrorist Activities.

The following chronology is in response to your request for historical information on terrorist activities carried out by the North Korean government in the past decades. For the purpose of this chronology, we have agreed that the scope of ''terrorist activities'' should be expanded to cover broadly defined other provocative acts and beyond ''the last 20 years'' you indicated in your request.

I should add that the chronology is selective. From 1954 to 1992, North Korea infiltrated a total of 3,693 armed agents into South Korea. According to data compiled by a South Korean government agency, 2,345 infiltrators were captured; 1,130 killed; and 218 surrendered. The peak years of North Korean infiltration were 1967 and 1968, accounting for a total of 743 agents (167 captured; 553 shot to death; and 23 surrendered). Incidence of infiltration has decreased sharply since 1987 but has not stopped completely (Vantage Point, November 1995, p. 17). If you need further assistance or have questions, please call me.

CHRONOLOGY OF MAJOR PROVOCATIVE ACTS BY NORTH KOREA

Date, activities.

02/1958—North Korean agents hijacked to Pyongyang a South Korean airliner flying from Pusan to Seoul; 2 American pilots and 24 passengers were released in early March but 8 other passengers remained in the North.

01/1968—a 31-number commando team, disguised as South Korean soldiers and civilians, reached within 500 yards of President Park Chung Hee's office/residence complex (The Blue House) before they were intercepted by South Korean police; 29 commandos were killed and one committed suicide; one who was captured revealed that their mission was to kill President Park and other senior government officials.

01/1968—Two days after the commando attempt on President Park, North Korea seized the U.S. intelligence ship Pueblo with a crew of 83 officers and men off Wonsan in international waters outside the 12-mile limit claimed by North Korea; the crew was finally released in 12/1968, but not the ship.

10/1968—130 sea-borne commandos infiltrated the Ulchin and Samchok areas on the eastern coast of South Korea; 110 were killed, 7 were captured, and 13 fled.

04/1969—North Korea shot down an unarmed U.S. EC–121 reconnaissance plane over international waters, resulting in the loss of 31 lives.

06/1969—North Korea agents infiltrated Huksan Island off the west coast; 15 were shot to death.

12/1969—North Korea hijacked a South Korean airliner with 50 persons aboard to Pyongyang; in February 1970, it released all but 11 of the crew and passengers but detained 7 passengers, 1 pilot, and 2 stewardesses and seized the aircraft. The 11 are reportedly still detained in North Korea, along with some 450 other South Koreans abducted by North Korea in the past decades.

03/1970—From 1970 to 1995, North Korea provided sanctuary to 9 members of a Japanese radical leftwing ''Red Army'' group who had hijacked a Japanese Boeing 707 airliner to Pyongyang.

04/1970—Three North Korean infiltrators were shot to death at Kumchon, Kyonggido, south of the Demilitarized Zone (DMZ) separating the two Koreas.

06/1970—A powerful bomb exploded, demolishing the main gate to National Cemetery (South Korea's equivalent of Arlington Cemetery), before President Park's scheduled visit to the place. The incident was linked to North Korean elements.

01/1971—A North Korean attempt to hijack a South Korean Airline F–20 passenger plane flying from Seoul to Sokcho on the east coast was foiled.

08/1974—President Park Chung Hee's wife was killed during another attempt on his life. A member of a pro-North Korean group in Japan who entered Seoul as a tourist fired several shots at Park at a major public function; Park escaped unhurt, but the First Lady was hit by stray bullets and died several hours later.

09/1975—Two North Korean infiltrators were intercepted at Kochang, Cholla Pukdo; one was shot to death.

06/1976—Three North Korean infiltrators were shot to death in the eastern sector south of the DMZ.

08/1976—A group of North Korean soldiers, wielding axes and metal pikes, attacked a U.S.-South Korean tree-trimming team in a neutral area inside the DMZ at Panmunjom, killing 2 U.S. army officers and wounding 4 American enlisted men and 5 South Korean soldiers. In a message to UN Commander General Richard G. Stillwell, North Korea's Kim Il Sung described the incident as ''regrettable'' without admitting North Korean responsibility for what the U.S. government condemned as a ''vicious and unprovoked murder'' of the officers.

07/1977—A North Korean attempt to abduct a South Korean couple (Yoon Jong-hee and wife) failed in Paris.

02/1978—Actress Choi Eun-hee and her film-director husband Shin Sang-ok were kidnapped in Hong Kong and taken to Pyongyang. The couple escaped in 1986 while on a filming assignment in Vienna.

06/1979—A South Korean student Ko Sang-moon was abducted by North Koreans in the Netherlands.

07/1979—A North Korean attempt to abduct Han Yong-gil, an employee of the Korea Trade-Investment Promotion Agency (KOTRA), failed in France.

03/1980—Three North Koreans tried to infiltrate the South across the estuary of Han River; all were killed.

11/1980—Three North Korean infiltrators were shot to death at Whenggando, Cholla Namdo, South Korea.

12/1980—Three North Korean agents were shot to death off the coast of Kyongsang Namdo, South Korea.

03/1981—Of three North Korean infiltrators at Kumhwa, Kangwondo, one was shot to death.

06/1981—A North Korean spy boat was sunk off the coast of Sosan, Chungchong Namdo; 9 agents were shot to death and one was captured alive.

07/1981—One North Korean agent was shot to death in the upper stream of Imjin River, while trying to cross the river.

05/1982—Two North Korean infiltrators were spotted on the east coast; one was shot to death.

08/1982—Police in Canada uncovered a North Korean plot to assassinate President Chun Doo Hwan during a visit to that country.

10/1983—The explosion of a powerful bomb, several minutes before President Chun was due to arrive to lay a wreath at the Martyr's Mausoleum in Rangoon, Burma (Myanmar), killed 17 senior South Korean officials and injured 13 who were accompanying President Chun, then on the first leg of a six-nation Asian tour. Among the killed were; presidential chief-of-staff and another senior presidential assistant; deputy prime minister/minister of economic planning; three cabinet members including foreign minister; 3 deputy ministers; and South Korean ambassador to Burma. The bomb was intended for President Chun. Based on initial findings, Seoul accused Pyongyang of masterminding the mass assassination, an accusation North Korean leader Kim Il Sung dismissed as a ''preposterous slander.'' President Chun termed the mass assassination as ''a grave provocation not unlike a declaration of war,'' and warned the North that ''should such a provocation recur, there would be a corresponding retaliation in kind.'' Two suspects arrested and tried in the Rangoon Divisional Court turned out to be a North Korean army major and captain. On November 4, Burma broke off diplomatic relations with North Korea. In 02/84, the Burmese Supreme Court sustained the death penalty handed down by the lower court.

09/1984—A North Korean agent killed 3 residents of Taegu, South Korea, and committed suicide.

10/1984—A North Korean spy ship was chased off the coast of Pusan, South Korea, but eluded capture.

01/1998—A North Korean attempt to abduct a South Korean citizen (Yoon Taek-shik) failed in Hong Kong.

08/1997—Lee Chae-hwan, a South Korean student enrolled in an American school, was abducted by North Koreans while on a visit to a European country.

11/1987—A bomb planted by two North Korean terrorists on a Korean Airline Boeing 707 exploded in midair over the Andaman Sea off the coast of Burma. 115 passengers were aboard the flight from Baghdad to Seoul. One of the terrorists, who was taken into custody in Bahrain, confessed to the crime, was tried, and convicted in a Seoul court.

03/1990—Another North Korean tunnel dug under the DMZ was discovered; this was the fourth one uncovered since the mid-1970s.

05/1992—Three North Koreans, wearing South Korean uniforms, were shot to death at Cholwon, Kangwondo, south of the DMZ.

10/1992—A North Korean 400-member spy ring in South Korea, directed by Lee Son-sil (a Political Bureau candidate member of the Central Committee of Pyongyang's ruling Korean Workers (Communist) Party), was uncovered by South Korea's Agency for National Security Planning. The Agency announced that the agents had infiltrated through South Korea's coastlines.

03/1993—North Korea announced its intention to withdraw from the Nuclear Non-Proliferation Treaty rather than yield to the International Atomic Energy Agency's demands for a ''special inspection'' of two suspected nuclear waste storage sites at Yongbyon, North Korea.

12/1993—Vice Marshal Choe Kwang, Chief of the General Staff of the North Korean military (and defense minister, 1995–96), declared at a major state function that the military ''has the heavy and honorable task of reunifying the fatherland *with guns* [emphasis added] in the nineties without fail,'' thereby revealing not so subtly North Korea's alternative to its oft-proclaimed policy of ''peaceful reunification.''

03/1994—For the first time in more than two decades, North Korea issue a threat of war in an inter-Korean meeting in Panmunjom. In response to Seoul's chief delegate mentioning the possibility of UN sanctions against the North for its refusal to accept full international nuclear inspections, Pyongyang's chief delegate reportedly shot back: ''Seoul is not far away from here. If a war breaks out, Seoul will turn into a sea of fire.'' The ''sea of fire'' threat rattled South Koreans, already concerned about Pyongyang's perceived attempt to cultivate a 'madman' image as ''a new psychological negotiating tactic'' designed ''to blackmail the US into granting concessions, including diplomatic recognition, the lifting of trade sanctions and the supply of aid for its tottering economy.''

06/1994—A North Korean attempt to abduct a South Korean professor, Lee Jin-sang, from an Ethiopian university in Addis Ababa was foiled.

08/1994—North Korea's foreign ministry declared: ''We will never allow the [special] inspection of the military sites at the expense of our sovereignty in order to receive light-water reactors. Another conflict cannot be avoided, if they [South Korean and Japanese authorities] continue trying to complicate matters, citing the 'special inspection' that we have never allowed and cannot allow in the future either.'' (The North Korean-U.S. ''agreed framework'' of October 1994 to the contrary, North Korea continues to maintain that the special inspection is out of question—a portent of what might be called ''a special inspection crisis'' several years down the road or around 2003).

05/1995—North Korean patrol boat fired on a South Korean fishing vessel, killing three South Korean fishermen; North Korea released 5 other fishermen in December 1995 through Panmunjom.

06/1995—North Korean soldiers threatened the captain of a South Korean vessel with harm in a North Korean port unless he hoisted the North Korean flag while the vessel was there to deliver a South Korean humanitarian rice shipment to the North.

07/1995—A team of three North Korean agents abducted a South Korean missionary,

the Reverend An Sung-un, in southern Manchuria and transported him to North Korea. Reverend An currently remains in the North.

08/1995—North Korea seized a South Korean rice delivery vessel and arrested its crew in a North Korean port after a South Korean crewman took photographs from the ship. The ship was released in 12 days after the South Korean government sent a message to the North, expressing ''regret'' over the photographing incident.

10/1995—Two armed North Koreans were intercepted at the Imjin River just south of the DMZ; one was shot to death and the other escaped (This incident happened at a time when South Korea was sending humanitarian rice aid to North Korea).

10/1995—Two North Korean agents were intercepted at Puyo, about 100 miles south of Seoul; one was shot to death and the other was taken alive. The captured agent disclosed that he had infiltrated into South Korea two months earlier, with a mission to contact anti-government dissidents and politicians and the organization of underground cells.

04/1996—A total of four hundred North Korean troops crossed the military demarcation line of the DMZ at Panmunjom and elsewhere in violation of the Korean armistice agreement, after Pyongyang's unilateral announcement that it no longer would abide by the terms of the armistice.

05/1996—Seven North Korean soldiers crossed the military demarcation line into the southern half of the DMZ, facing South Korean defensive positions just south of the DMZ, but withdrew when South Korean troops fired warning shots.

05/1996—Five North Korean naval patrol craft crossed into South Korean territorial waters off the east coast in an area designated as South Korean waters under the armistice accord but withdrew after four hours of a standoff with South Korean naval vessels. A similar three-hour incursion by three North Korean craft in the same area occurred on June 14, 1996.

07/1996—A North Korean spy was captured in Seoul after posing as a Filipino professor for 12 years. Chung Su Il (alias: Mohammed Kansu), 62, told police that ''scores, perhaps hundreds'' of North Korean spies were operating in the South.

09/1996—A disabled North Korean submarine was spotted bobbing off the shore near the city of Kangnung. Twenty six North Korean military personnel landed on the east coast from the submarine that was found to be on an espionage/reconnaissance mission. Eleven of the infiltrators were shot to death by North Koreans; 13 others refused to surrender and were killed; one was captured and one escaped. During the South Korean hunt for the infiltrators, North Koreans killed 11 South Korean military personnel and civilians and wounded five others.

10/1996—Choi Duk Keun, a South Korean diplomat, was murdered in Vladivostok, Russia, following a North Korean threat to ''retaliate'' for the submarine incident. Circumstantial evidence initially pointed to North Korean complicity in the murder, and later autopsy results showed that poison found in Choi's body was the same type of poison carried by North Korean infiltrators from the grounded submarine in September.

02/1997—In Seoul, South Korea, Lee Hanyong was assassinated by two hit men believed to be North Korean agents. Nephew of North Korean leader Kim Jong Il's former wife, Song Hye-rim, Lee had defected to the South in 1982. The shooting took place three days after Hwang Jan-yop, a high ranking North Korean party official, walked into the South Korean consulate in Beijing to defect to the South—a possible warning to Hwang and other would-be defectors to the South. After being in coma, Lee died a week later in a Seoul hospital.

03/1997—Japan's daily newspaper Sankei Shimbun, based on an interview with a former South Korean agent An Myong-chin (who defected to South Korea in September 1993), reported that in 1977, Megumi Yokota, a 13-year-old Japanese school girl was abducted in Niigata City to North Korea for use as a teaching aide at a North Korean school for spy training. Japanese authorities disclosed that An's description of the girl matched the profile of a girl reported missing in Niigata, Japan.

Mr. MCCAIN. Mr. President, it is a list worthy of Stalin, the butcher of millions of his own people and the Soviet leader who installed Kim Jong-Il's father, Kim Il Sung, in power following the end of the Second World War. This list includes numerous instances of North Korean agents infiltrating the South to conduct assassinations, with the most recent occurring last February; causes of agents kidnapping ordinary Japanese citizens off of the beaches of their own country as well as South Koreans, who are smuggled to North Korea for imprisonment and interrogation; armed soldiers crossing the border between the two countries to provoke fire fights, such as apparently occurred this morning; special forces infiltrating the South through tunnels dug beneath the DMZ; and the naval incursions, most recently the September 1996 submarine that was grounded off the South Korean coast with the ensuing loss of considerable life due to the will of the North Korean commandoes who debarked from the sub not to be taken alive.

I highly recommend my colleagues take a few minutes to review this list. It is the ultimate commentary on the nature of the North Korean regime. It is a window into the soul of that country's rulers. It is a warning against misjudging the North's periodic gestures of goodwill that are inevitably, at most, tactical responses to their own self-induced social calamities or continued efforts at undermining the relationship between South Korea and the United States.

Mr. President, I now want to discuss the bill very briefly itself.

Mr. President, I appreciate the opportunity to address the Senate on the subject of the fiscal year 1988 foreign operations appropriations bill. As has been noted numerous times by Members of this body, the end of the cold war had the unwelcome effect of creating a vacuum into which all manner of ethnic, religious, and territorial conflict has been permitted to emerge. In addition, the continuous problems of combating famine, disease, and other problems afflicting many nations of the world ensures that the global responsibilities of the executive and legislative branches of the Government remain substantial, particularly relative to the resources available with which to address them.

It is for these reasons that we owe it to the American public and to those less fortunate than ourselves around the world that we act as responsibly as possible when allocating these scarce resources. That is why I continue to oppose the practices of adding to the bill funds for programs of questionable merit and of earmarking for specific institutions without regard for broader U.S. national security interests.

As an elected representative from a State with considerable agricultural interests, I am fully aware of the importance of properly administered agricultural programs. Do we honestly expect, however, the American public to adopt a less confrontational posture vis-a-vis their elected representatives when we continue to earmark funds for the International Fertilizer Development Center in Alabama. Not only does the bill before us earmark $3 million for the center, this amount represents a 50-percent increase over fiscal year 1996. Is the chemical makeup or molecular structure of fertilizer changing so much that we need to actually increase appropriations for the Fertilizer Development Center?

As usual, although admittedly to a lesser extent than in years past, the bill recommends or directs funding for specific universities, including the University of Hawaii for the training of health and human service professionals; the University of Northern Iowa for teacher education in Slovakia; and George Mason University, also for health care. Montana State University continues to fare well in foreign operations appropriations bills. In the past, it has received funding for pest control. This year, it is supposed to receive funds for crop eradication, specifically opium poppy, coca, and marijuana. Laudable goals, but why the earmark? I do not question the value of some of these programs; I do question whether they require or deserve funding from the U.S. Treasury or cannot be competed among contending institutions and organizations.

Other recommendations and earmarks of questionable merit included in this bill are $15 million for the Office of Women in Development, which is hardly necessary with simple instructions to our own Agency for International Development; $500,000 for the U.S. Telecommunications Training Institute for communications and broadcast training; and $15 million over 5 years for the International Foundation for Education and Self-Help, which trains teachers and bankers. I was also interested to see in the report accompanying this bill a recommendation to AID that it work with Science and Technology International to further development of the advanced airborne hyperspectral imaging system, which is intended to facilitate the monitoring of environmental degradation and disaster mitigation and aid in the protection of wetlands and management of littoral regions. Does any of this overlap with the $60 million the bill earmarked for the Global Environment Facility.

Once again, I applaud the goal, but question whether we should be specifying programs, directly or indirectly, without the benefit of a competitive process or adequate knowledge of whether similar capabilities are already or imminently available in the private sector. I further note that this is the second bill this week to include funding for this program: The Defense appropriations bill included $2 million for the advanced airborne hyperspectral imaging system.

I have already referred to funding for agricultural programs in the bill that warrants skepticism. With funding also directed toward the Farmer-to-Farmer Program and the Soils Management Collaborative Research Support Program, I wonder whether it isn't time to take a closer look at the proliferation of programs to determine whether they are all necessary or overlap in function.

Finally, Mr. President, I would like to briefly address the Buy-America provisions of the bill. The American public understandably abhors active participation by its Government in encouraging U.S. companies to relocate to foreign countries where labor and materials are cheaper. Section 538 of the bill addresses this concern. Paragraph (b) of this provision may go too far, however, with the ultimate impact of impeding economic growth where it is seriously needed while degrading the benefits that accrue to the American economy through free trade. Specifically, the paragraph in question prohibits the use of funds for the purpose of,

> . . . establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety law of that country do not apply, in part or in whole, to activities carried out with that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States.

The Presidential certification process established by this provision will create, I suspect, the same problems as do other certifications processes. As countries evolve over decades and centuries and economies reflect that evolution through industrialization and service-oriented dominance, and as free trade policies account for substantial proportions of economic growth, inevitably jobs are lost in certain areas. It has never been any different. We have also seen the benefits to the very people we purport to help of free market economic zones in countries with otherwise centrally controlled economies. It is such zones that facilitate the greatest economic growth and that are more prone to exhibit liberal social and political transformations consistent with our own national values. To adopt a provision designed to impede such progress is not in our national interest.

There is room for improvement in this bill that I hope will occur when the Appropriations Committees of the respective Houses of Congress meet in conference. It is discouraging to see the practice of earmarking continue. At least, though, the long-term trend has been in the right direction.

Mr. President, I ask unanimous consent that a list of programs in the bill that I find objectionable be printed in the RECORD.

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

OBJECTIONABLE PROGRAMS IN THE FOREIGN OPERATIONS APPROPRIATION BILL FOR 1998: TITLE II—BILATERAL ECONOMIC ASSISTANCE

PROGRAMS WITH FUNDS EARMARKED

	In millions
American Schools and Hospitals: American University in Beirut, Lebanese American University, Hadassah Medical Organization, Feinberg Graduate School in Israel, and Johns Hopkins University (Bologna, Italy, China)	$15.0
U.S. Telecommunications Training Institute	0.5
University Development Assistance Programs: University of Hawaii, University of Northern Iowa, and George Mason University	2.0
International Fertilizer Development Center	3.0
International Foundation for Education and Self-Help: Human resource development in sub-Saharan Africa	15.0

PROGRAMS FOR WHICH THE COMMITTEE RECOMMENDS FUNDING

Advanced Airborne Hyperspectral Imaging System: Monitors Wetlands and Littoral Zones.

Farmer-to-Farmer: Overseas Cooperative Assistance Program, specifically in former Soviet Union.

Pushchino Project: Promotes economic development in South Central Russia.

Mongolia: Academy of Natural Sciences in Philadelphia, PA, to provide technical advice on infrastructure development.

Biological Control of Illicit Drug Crops: Research at Montana State University in the development of plant pathogens.

Pulsed Fast Neutron Analysis: Supports joint funding for this technology.

COMMERCE AND TRADE

Sec. 513. Restricts funds for testing in connection with the growth or production in a foreign country of an agricultural commodity which would compete with commodities grown in the United States.

Sec. 514. Restricts funds for foreign production or extraction of any commodity or mineral for export if its surplus on the world market will cause substantial injury to United States producers of the same, or similar commodity.

Sec. 538. Restricts funds that would provide any financial incentive to a business in the United States considering relocating outside of the United States if it is likely to reduce the number of employees in the United States.

Mr. McCAIN. I thank my friend, Senator MURKOWSKI, from Alaska for proposing an amendment that has to do with the very serious situation in Korea, and frankly the part of America's foreign policy that I think is deserving of significant criticism. I think history will show that this entire issue of North Korea has been mishandled by this administration.

Mr. President, I yield the floor.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER (Mr. COATS). The Senator from Kansas.

Mr. ROBERTS. Mr. President, I have a unanimous consent on behalf of the leader.

Before I make that unanimous consent request, I would like to thank the Senator from Arizona and the Senator from Alaska in reference to the amendment concerning our policy with North Korea. Senator MCCAIN has pointed out the situation that now exists with another flare-up of hostilities on the DMZ between South Korea and North Korea.

Some time ago—about 4 months—I was privileged to take part in a delegation with Senator STEVENS. Senator STEVENS, Senator DOMENICI, Senator INOUYE, Senator COCHRAN, and myself were the first American congressional delegation allowed into North Korea.

We went to North Korea with a specific purpose. We know that country is hard hit by a famine, and that the situation is very real. We wanted to encourage the North Koreans, in cooperation with Ambassador Richardson, the State Department and the administration, to participate in the four-party peace talks.

Since I have had the privilege of being the former chairman of the House Agriculture Committee and serve on the Agriculture Committee here in this body, I wanted to encourage the North Koreans to explore every opportunity for normal trading relations—that is, to explore the possibility of commercial trade and third-party agreements that would alleviate their situation.

I think we made some progress. I think we tried to make our point that these kind of negotiations, these kind of contacts, would certainly open up new doors of cooperation only to find out, however, that now just at the time the administration is announcing a doubling of the humanitarian food assistance to North Korea we see another repeat of these hostilities.

I remember well in meeting with the South Korean Government officials when South Korea sent a ship full of grain and other food shipments to the North. The North simply confiscated the ship, took down the South Korean flag, raised the North Korean flag, took all of the personnel involved, and had them incarcerated for about 10 days, and then finally let those folks go back to South Korea. That to me is not a very willing partner in an effort to relieve any kind of famine.

Quite frankly, when we were in North Korea they were conducting a military exercise at the time that we were there, and wasting, as far as I am concerned and any other observer, valuable dollars that could have been provided to their own people who are suffering. This is a repressive regime—a theocracy, if you will—that is punishing their senior citizens and their very young—putting them through a famine at the same time that they are asking us for this kind of assistance.

Question: Will these funds go to the purpose that it should go to, or will they go to simply reinforce a very repressive military?

These are questions that should be answered. And I think with the latest flare-up on the DMZ Senator MURKOWSKI and Senator MCCAIN have made an excellent amendment, and I hope we would consider it and I hope it will be improved.

UNANIMOUS-CONSENT AGREEMENT—S. 1004

In behalf of the leader, I ask unanimous consent that the bill, S. 1004, be considered read a third time, that the vote on passage occur as under the original consent, and additionally the bill not be engrossed, that it remain at the desk pending the receipt of the House companion measure; I further ask unanimous consent that when the House companion measure is passed pursuant to the previous order, the passage of S. 1004 be vitiated and that S. 1004 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DORGAN addressed the Chair.

Mr. DORGAN. Mr. President, I ask unanimous consent that Matthew Goldenberg, Danette Lince, Joshua Spellman, and Katherine Ruth be given floor privileges today.

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

Mr. MURKOWSKI. Mr. President, I have an amendment pending, and I had asked for the yeas and nays some time ago. There was a question, and I would like to again ask for the yeas and nays on my amendment on North Korea.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MURKOWSKI. I thank the Chair and I thank my colleague.

Mr. LEAHY. Mr. President, because of a meeting with the President and the Vice President, I was unable to be here for the opening of this bill, and I did want to make note of a couple items.

First, I do commend my friend from Kentucky, Senator MCCONNELL, who has put together a bill which I believe both parties, both Republicans and Democrats, can and should support. I should note that last year the foreign operations bill passed the Senate by a vote of 93 to 7, which is pretty darned good for such a piece of legislation. This year's bill I think will pass by an even higher margin.

I thank the chairman of the full committee, Senator STEVENS, and the senior Democrat on the committee, Senator BYRD, for providing us with an allocation that has made it possible to fund many of the administration's foreign policy priorities, in fact, most of the priorities of Members of the Senate, and that is extremely important as we go into conference with the other body.

For the past 3 years, Senator MCCONNELL and I and Senator LUGAR and others have argued that U.S. leadership costs money. Senator MCCONNELL has fought efforts in the House to cut funding for programs that are vital to U.S. foreign policy and national security. I think all of us owe him a debt of gratitude for that. I take the attitude, which is the attitude of all Vermonters ahead of me, that in foreign policy matters especially we should try to develop bipartisanship. The distinguished senior Senator from West Virginia and the distinguished senior Senator from Alaska did that in developing the allocation in this bill. While I am the only Member of my party ever to be elected from the State of Vermont, I look back to distinguished predecessors as Senators from Vermont who always tried to develop that bipartisanship in foreign policy. This bill appropriates additional funds for development assistance in microenterprise, health and education, agriculture, and many other activities supported strongly on both sides of the aisle—a special fund for combating infectious diseases. I thank the distinguished chairman of the subcommittee for that.

This is an area that I was particularly concerned about. We have seen an alarming increase in TB and other diseases that were once thought to be under control, new viruses like Ebola. These pose a threat to America. You might ask what American interest is there in that in a foreign aid bill. It is very simple. These funds will help monitor and combat these diseases. A microbe does not stop at a border and get a visa before it moves on to the next country. Microbes and viruses, diseases, some of the most horrendous diseases known in our lifetime, traveled freely across borders.

In an era where a Member of Congress does much traveling, we see how people can be, for example, in Kenya and be back in Washington in a matter of long hours, but it is possible to travel that way, sometimes perhaps arriving even a few minutes later than they might have liked, but being able to arrive.

I should note for the RECORD that this reflects sort of a private joke between the distinguished Presiding Officer, my good friend, and myself. But the point is people do travel and, unlike the old days when you looked at a different continent one would never visit, now we go back and forth, and diseases do, too.

My wife, who works as a registered nurse, sees far, far more patients with TB today than she had seen a decade ago. We see far more diseases that we thought had disappeared popping up again. What we want to do is have money in here to help us monitor countries where these diseases are coming up, help the world organizations most involved in this to isolate and quarantine and help eradicate diseases before they travel into our country or other countries.

I also appreciate what has been done to fund IDA. Even though it is $950 million, it is close to and goes a long way toward meeting our past commitments. The same goes for UNICEF, a favorite organization of mine, and other U.N. agencies. We were able to provide $60 million for the global environment facility. The GEF plays a central role in protecting international waters and biodiversity, replacing ozone depletion. It is a step in the right direction. I would like to see a United States contribution to the African Development Fund. I would like to see more funds for voluntary peacekeeping, disaster relief programs.

There were some hard choices. I point out to people that most programs that did not receive full funding, and they are relatively few, were distributed fairly evenly across the various accounts here.

I have other areas of concern, and I will speak to those when the time comes.

I say only this in closing, Mr. President. We have a tremendous opportunity to influence economic and political events around the world, but diplomacy costs money. It is money to support programs that will in a very real way determine what kind of world our children's grandchildren live in. We are the most powerful nation in the world, the greatest democracy history has ever known, and we have a responsibility to the rest of the world because of that. We do not live in isolation, and this bill helps us say that.

Mr. President, I do not see others seeking the floor, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Illinois.

Mr. DURBIN. Mr. President, I rise to speak to the legislation now pending before the Senate on three topics that are much different in nature, but I think reflect the diversity of the subject matter of this important legislation.

NATO ENLARGEMENT ASSISTANCE

At the outset, let me join with my colleague, Senator GORTON of Washington, who has offered a sense-of-the-Senate amendment in his name and mine, asking that Lithuania, Latvia, and Estonia be invited to become full NATO members at the earliest possible date. I have addressed this issue before on the State Department authorization, and it was adopted by the Senate in similar form.

The amendment states the sense of the Senate that Lithuania, Latvia, and Estonia are to be commended for their progress toward political and economic reform and meeting the guidelines for prospective NATO members; that these three countries would make an outstanding contribution to furthering the goals of NATO and enhancing stability, freedom, and peace in Europe should they become NATO members; and they should be invited to become full NATO

members at the earliest possible date. The recent NATO summit in Madrid resulted in the member nations inviting Poland, Hungary, and the Czech Republic to join NATO. This was a dramatic breakthrough. I think it signaled the end of the cold war and a new era in the world, with those who had been our adversaries for literally decades now to become our allies. We are seeking, with this amendment, Senator GORTON and myself, to increase that number of new NATO members by at least three, by including the Baltic nations.

I can tell you from recent visits to Lithuania that they feel this is the single most important foreign policy challenge which they face. They want to make it clear that they look to the West; they share our values. They are interested in this type of NATO arrangement, which is not offensive in strategy but, rather, seeks peaceful resolutions, and they are hopeful that this will create a new era of opportunity for them.

This amendment is consistent with current laws and programs, and I believe that it is one the administration can embrace. It is clearly not only in our best interests in the United States, but certainly in the best interests of the Baltic States, which are still in a very precarious position.

I thank my colleague Senator GORTON for offering this sense-of-the-Senate resolution on our mutual behalf, and I am also grateful to the managers of the bill for having adopted it.

INTERNATIONAL FAMILY PLANNING

Mr. President, I might go on to say there is another aspect of this bill which is critically important for the future, not only of the United States, but of the world. I rise in support of the funding in this legislation for international family planning. I can't think of a single issue more threatening to the future and stability of our world than the present trends of population increase. The world's population increases by about a quarter of a million people every single day, and 95 percent of the world's population growth is in less developed countries. In 1950, the world's population was 2.5 billion; today it is 5.8 billion. In 1950, the average life expectancy worldwide was 46 years; today, it is 65 years.

By the year 2040, if current trends continue, the world's population will double. The danger of overpopulation, the problems that come with it—poverty, hunger and disease—will not go away if we simply ignore them. We can and we must address these problems by providing family planning assistance to the poorest people in the world.

And family planning works. Mr. President, 30 years ago the average couple in the world had six children. Today, the average couple in the world has four. International family planning is about giving people around the world, especially in the world's poorest countries, the ability to decide the size of their own families. International family planning is about eradicating poverty, hunger and disease. It is not about abortion. It is about preventing abortion. It is estimated that unwanted pregnancies lead to 50 million abortions every year—abortions that might have been prevented by family planning.

International family planning literally saves the lives of children and their mothers by increasing the time between births and helping women to avoid high-risk pregnancies. It is estimated that preventing closely spaced births and pregnancies to very young mothers can save the lives of 3 million babies a year. That would be a 25 percent reduction in worldwide child mortality.

International family planning makes it possible for poor nations to provide better nutrition, health care and education.

About 6 years ago, I joined my House colleague, the late Congressman Mike Synar of Oklahoma, on a trip to Bangladesh. It was an amazing educational experience. One of the poorest countries in the world, Bangladesh seems to be living under a dark cloud. If there is a natural disaster to occur, it is usually occurring in Bangladesh. And these poor people who eke out a living are often victimized by these disasters.

Congressman Synar and I went into the back country where the roads end and we had to get out of the 4-wheel-drive and start hiking to a little village where we literally met with 50 women and their children who were part of a project known as the Grameen Bank, a fascinating experiment in credit for poor people which has now caught on worldwide.

After this meeting, one of the women came up to me and, through an interpreter, spoke to me. She was holding a small baby in her arms, and she said to me that she wanted to tell me something. I asked what it was, through the interpreter. She wanted to tell me that, because of family planning and also because of the UNICEF and United Nations effort to save the lives of small children in developing countries, she and her husband had decided to have no more than three children. It was a dramatic admission on her part to a pale-skinned stranger from a country she had literally never heard of.

Those of us who think the money that is invested in this legislation doesn't do any good should take the time to visit those parts of the world where it literally means life or death. For her, it meant the baby in her arms would survive. In these countries, with their poor health conditions, many times unsanitary water would result in children with dysentery and other intestinal problems who literally died for lack of hydration. The rehydration therapy, as simple and cheap as it is, saves these lives and gives these mothers the hope that they don't need to have six children to have three survivors. And that, many times, is the driving force behind large families in poor countries.

So I hope those who are supporting this legislation, as I am, understand that its investment and commitment to international family planning and also the children's program is money well spent, not just for the humanitarian purposes which I have outlined but for very selfish reasons, for the future of the United States. If we start to stabilize world population, we can also help to stabilize political situations and hope as well that we will bring that kind of quality of life around the world that we enjoy in most parts of the United States today.

SCHOOL OF THE AMERICAS

Mr. President, the final issue which I will address in this moment on the floor is in relation to an amendment which I am prepared to offer today but will not. It is an amendment which has been considered time and again in the House but has not been considered in the Senate. I had thought that it was time to call up this amendment, but after discussions with my colleagues we have decided to wait until next year's appropriations bill to address it.

What I am speaking to is a project known as the School of the Americas. The School of the Americas was established over 50 years ago to provide military education and training to military personnel of Central America, South America, and the Caribbean countries. Given the breakup of the Soviet Union, the training provided at this school is no longer appropriate to the long-term goals of the United States or Latin America. This school at Fort Benning, GA, has been a training ground for thousands of individuals who have been brought in from the militaries of Central and South America and the Caribbean and trained to become more proficient in their military ways.

We acknowledge the Army has tried to make changes at the School of the Americas by updating curricula and improving the selection process for students and the quality of teachers. Despite these efforts, it is my belief that the School of the Americas should be closed. It is an element in this bill which I do not support. It serves no strategic purpose.

In the post-cold-war era, we need to strengthen civilian institutions in Latin America, not the militaries. And the school cannot overcome its horrendous history and its past links to numerous military personnel who have committed human rights atrocities. These admissions are an embarrassment to the United States and to our reputation as a leader in promoting human rights throughout the world.

The training manuals at this school as late as 1991 contained instruction in torture and extortion. Imagine, U.S. taxpayers' dollars spent at this facility in Georgia, at a U.S. military base, to train foreign military leaders in torture and extortion. It is incomprehensible.

No one has been held accountable for the fact that the U.S. Army was teaching training techniques which clearly

violated U.S. Army policy. The School of the Americas has trained leaders in tactics to violate human rights and has done so knowingly and deliberately. It is well documented that this school's graduates have planned and participated in severe cases of human rights abuses during the history of this institution.

Listen to this roster of graduates from the School of the Americas, funded by taxpayers' dollars: Panamanian dictator and drug dealer Manuel Noriega; 19 Salvadoran soldiers linked to the 1989 murder of 6 Jesuit priests, their housekeeper and her daughter; El Salvador death squad leader Roberto D'Aubuisson; Argentinian dictator Leopoldo Galtieri; 3 of the 5 officers involved in the 1980 rape and murder of 4 United States churchwomen in El Salvador; and 10 of the 12 officers responsible for the murder of 900 civilians in the El Salvadoran village, El Mozote.

Victims of these abuses often are the most vulnerable of the country, the poor and Roman Catholic religious who spoke out in defense of peace and social justice. Given that the training manuals used at the school advocated torture, blackmail and other forms of coercion, the atrocities committed by these graduates are predictable results. The United States needs, in this post-cold war era, to find a better way to moderate the abuses of Latin American militaries. Clearly, the School of the Americas is not the answer.

I think it is clear that this school needs to be closed. If an alternative needs to be opened, let us restructure it consistent with our own human rights values. I will not be offering the amendment today which would close this institution, but I want to make it clear to my colleagues in the Senate and those who are listening to this debate, that we will continue to monitor the School of the Americas, that we will continue to make certain that they know we are watching what they do and the graduates they send to lead the militaries of foreign nations. And we will insist, at every step of the way, that this School of the Americas pursue policies that are consistent with the best interests and policies of the United States.

Mr. President, at this point, I yield the remainder of my time.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 895

(Purpose: To restore to United States citizens and residents the right of travel to Cuba)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to laying aside the pending amendment? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 895.

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

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

The amendment is as follows:

SEC. . TRAVEL TO CUBA.

(a) PROHIBITION.—The President shall not restrict travel to Cuba by United States citizens or other persons subject to the jurisdiction of the United States, except in the case in which the United States is at war, where armed hostilities are in progress in or around Cuba, or where there is imminent danger to the public health or the physical safety of the United States travelers to Cuba.

(b) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

(c) DEFINITION.—For purposes of this section the term ''United States'' includes the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States.

Mr. BINGAMAN. Mr. President, the amendment I have just sent to the desk is a very simple amendment that would provide that the President shall not restrict travel to Cuba by United States citizens and other people who are lawfully subject to the jurisdiction of the United States, except in circumstances where we are at war or where there are armed hostilities in or around Cuba, or where there is imminent danger to public health or physical safety of United States travelers in Cuba.

My own view is that our policy today, toward Cuba, is a holdover from the cold war. It is an anachronism. It is out of step with the sentiments of the American people. And it is certainly out of step with the best interests of our own country.

We have gotten into a situation where the only attention that is given to our relations with Cuba is that every 6 months the President comes forward and once again waives certain extraterritorial provisions that were part of the Helms–Burton Act that was passed last year; and at the same time that it waives those provisions, it assures Members of Congress and the Cuban-American community that it plans to maintain a posture of tough sanctions against Cuba. So any efforts that might be undertaken to promote a constructive and humanitarian engagement with Cuba, or at least some level of humanitarian assistance to those in need in Cuba, all of that has been put aside and lost, unfortunately, in our discussion of Cuban-American relations.

When the Helms–Burton Act passed the Congress, Walter Russell Mead wrote an article in the New Yorker that I think sums things up pretty well. He said:

Fidel Castro has survived the enmity of nine American Presidents. In concert with his enemies in South Florida, he retains a hypnotic ability to induce stupidity in Yankee policymakers. That seems unlikely to change until the U.S. Government gets around to taking control of its Cuba policy away from a small, self-interested lobby group.

Mr. President, I share Mr. Mead's views on this anachronistic stance that we continue to take toward Cuba.

In my opinion, the one reason that Castro has remained entrenched and has survived nine American Presidents is that he continues to be able to point to the United States as a menacing foreign presence and to call upon the Cuban people to withstand the hardships that they have to withstand because of bad intentions and actions by America, as he would have it.

If people, including so many of my distinguished colleagues across the aisle and on the Democratic side, believe in the value of Radio Marti and TV Marti, our broadcasting operations in Florida, which are intended to inform Cubans about the way of life in the United States and our freedoms and our liberties, then certainly increasing contact by allowing travel by Americans to Cuba would do even more. I think it is important that the administration and others realize that the Helms–Burton Act and this 6-month clock on issuing a waiver on the worst provisions of that act not be allowed to serve as the be all and the end all of our Cuban policy.

On June 19 of this year, I joined Senator DODD and a great many other Senators in writing to the President urging that direct flights to Cuba for the purpose of humanitarian assistance be permitted. The subject of that letter is not the subject of my amendment today. I cite that as one example of an effort to improve constructive relations between ourselves and Cuba and to assist in humanitarian needs that are real.

I do believe that one of the least justifiable aspects of our policy toward Cuba today is the restrictions that we place on travel by U.S. citizens and U.S. residents to that country. The right to travel is a constitutional right. It is one that the courts have recognized. It is one that we, as a country, have recognized and that we only interfere with where there is a national security reason or some overriding national interest that requires that we interfere with that free right of travel.

I attended a conference, Asia Pacific Forum, 2 weeks ago at the Kennedy School in Boston. There were some Chinese leaders there and some Korean leaders and some Japanese leaders, and I was struck by the story that I heard from one of the Chinese leaders, the head of the Chinese delegation. He had been one of those singled out for abuse during the cultural revolution when that occurred in China a couple of decades ago.

He was taken from his hometown, from Beijing, at that time where he was a prominent leader in the university, and he was sent to a very remote part of China and forced to work there. He worked in a factory for 10 years during the cultural revolution in a very

lowly position. At the end of the cultural revolution, he was allowed to take a more responsible position and, once again, begin to demonstrate and use his talents, but he stayed in that factory for an additional 5 years after the 10 years that was required during the cultural revolution.

I asked, ''Why did you stay in that part of China? Why didn't you come back to Beijing?''

He said, ''I didn't have a permit. I wasn't permitted to travel.'' You couldn't just travel. You weren't permitted, at that time at least, to travel in China without a permit.

Mr. President, that refusal to allow people to travel is characteristic of Communist, authoritarian regimes. It is not characteristic of the United States. It should not be our policy to keep American citizens and American residents from traveling, except where national security requires it. Clearly, there is no national security justification for us continuing to prevent travel to Cuba by Americans today.

Let me also just point out this restriction against travel is an invitation to abuse. We have a lot of people in business in this country, in Canada, in Mexico and in various nearby countries who make it their business to facilitate travel to Cuba by United States citizens.

We made a little search of the Web. You are supposed to search the Web whenever you want to find out anything these days. So we got on the Internet. Here is a provision, Intra Kensington Travel. It says: ''Cuba travel for U.S. citizens. U.S. citizens holding valid passports are welcomed as visitors to Cuba for purposes of tourism. Many U.S. citizens visit Cuba each year for this purpose.''

This is what the advertisement on the Web said: ''When you arrive in Cuba, ensure that your passport is not stamped. Instead, have the Cuban immigration officials stamp a separate sheet of paper and be sure to bring this with you, so your passport won't be stamped. To avoid difficulty with U.S. Immigration and Customs authorities, do not return to the United States with any evidence that you have ever visited Cuba. This would include cigars, rum, souvenir T-shirts, postcards, tourist information and other items.''

Mr. President, this restriction is not enforceable. It is being abused. It is an embarrassment to a great nation like ours that we have this restriction in our law. I believe strongly that we should eliminate it. The amendment I sent to the desk would do that.

Let me also say, though, for purposes of reality in the Senate, that we have had a vote on this amendment before, essentially this same amendment. Former Senator Simon from Illinois offered this same amendment in the last Congress. I supported his efforts. I am sad to report that we only received 25 votes for the effort to eliminate these restrictions.

So this year, Mr. President, I would like to offer a different amendment and see if we can't get more support. Let me, at this point, Mr. President, withdraw my amendment and send another amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment.

The amendment (No. 895) was withdrawn.

AMENDMENT NO. 896

(Purpose: To provide for Cuban-American family humanitarian support and compassionate travel)

Mr. BINGAMAN. Mr. President, I send another amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 896.

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

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

The amendment is as follows:

SEC. . PROTECTION OF HUMANITARIAN EFFORTS.

Notwithstanding any provision of law to the contrary,

(1) no person subject to U.S. law as it pertains to expenditures of money in Cuba shall be prohibited from sending to his or her parent, sibling, spouse, or child currently residing in Cuba small amounts of money (not to exceed $200 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines, and medical care;

(2) each person subject to U.S. law as it pertains to expenditures of money in Cuba in relation to travel to Cuba shall be free to travel without limitation for periods not to exceed 30 days per any one trip to attend to a medical emergency involving, or to attend the funeral of, such person's parent, sibling, spouse, or child; and

(3) the United States government shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

Mr. BINGAMAN. Mr. President, let me describe the second of these amendments. It says, and I will just read it. It is very short. It says:

Notwithstanding any other provision of law to the contrary,

(1) no person subject to U.S. law as it pertains to expenditures of money in Cuba shall be prohibited from sending to his or her parent, sibling, spouse or child currently residing in Cuba small amounts of money (not to exceed $200 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines and medical care;

That is the first part.

The second part:

(2) each person subject to U.S. law as pertains to expenditures of money in Cuba in relation to travel to Cuba shall be free to travel without limitation for periods not to exceed 30 days per any one trip to attend to a medical emergency involving, or to attend the funeral of, such person's parent, sibling, spouse or child . . .

Mr. President, the third part of this amendment says that:

(3) the United States Government shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

So this amendment that is now pending before the Senate would do these three things: It would allow a modest amount of funds to be sent by a U.S. citizen or resident to their family, for purposes of basic necessities—food, clothing, supplies, rent, medicines, and medical care—not to exceed $200 per month.

Second, it would provide this opportunity to return to Cuba for up to 30 days, again, by someone who has a relative, a parent or a sibling or a spouse or a child still in Cuba. And third, it would allow the United States Government to participate in humanitarian relief efforts if there is a natural disaster on the island of Cuba, and participate in those relief efforts through multilateral organizations, not unilaterally, but through multilateral organizations.

None of these provisions threaten the national security of the United States. These are extremely modest ways that we can enhance the person-to-person contact and humanitarian assistance which can begin to take United States-Cuban relations in a positive direction.

None of these provisions violate the spirit of the economic embargo that we have had in place these 35 years, although I must acknowledge that I think that economic embargo at this stage in our history is a mistake. None of what I am proposing here interferes with that economic embargo. None of these provisions help Castro to galvanize his public against the United States. They may very well help erode the support that he has been able to maintain during this last 35 years because of the failed policy that we have pursued during that entire period.

So I urge my colleagues to support this amendment. I believe it is a worthwhile amendment and one that would move us in a positive direction.

Mr. President, we are coming on the end of this entire century and millennium, and sooner or later we need to become realistic about the fact that this other nation, Cuba, is 90 miles from our border, and we need to try to develop a more constructive relationship.

This provision would help Cuban-American citizens in particular, but would begin to move us toward a constructive relationship. I urge its support, and I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, is there a vote scheduled at 2?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Does the Senator wish to speak on this amendment?

Mr. BROWNBACK. Not on this amendment. I have a separate amendment I want to propose that the managers have agreed to. It is a sense-of-the-Senate resolution.

Mr. STEVENS. I would like to speak for a couple of minutes—I know the Senator is seeking recognition—on the Smith of Oregon amendment before the vote at 2.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

AMENDMENT NO. 889

Mr. STEVENS. Mr. President, I support the Smith amendment, and I remind the Senate that at the time of the great upheaval in the Soviet Union, when the tanks rolled into Red Square, there was a group of people that was prodemocracy from throughout the world which carried Bibles into that square and literally handed them out to the drivers of the tanks which were coming into Red Square, supposedly to dislodge the new government.

While I was chairman of the Presidential prayer group one year, I asked our former great symphony director, Rostropovich, to come and tell about his experience there. He told us of these people coming into the square and handing out those Bibles.

What is happening now in Russia is a direct reversal of the open-door policy for those people who believe that freedom of religion is an international freedom. I do believe that the Senate should go on record in support of the Smith amendment today. That is why I urge its adoption at this time.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Thank you very much, Mr. President.

AMENDMENT NO. 892

(Purpose: To express the sense of the Senate regarding the targeting of assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia)

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the pending amendments be set aside so I can call up amendment No. 892.

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

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK] proposes an amendment numbered 892.

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

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

The amendment is as follows:

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

SEC. . SENSE OF THE SENATE REGARDING SUPPORT FOR COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.

Congress makes the following findings:

(1) The ancient Silk Road, once the economic lifeline of Central Asia and the South Caucasus, traversed much of the territory now within the countries of Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

(2) Economic interdependence spurred mutual cooperation among the peoples along the Silk Road and restoration of the historic relationships and economic ties between those peoples is an important element of ensuring their sovereignty as well as the success of democratic and market reforms.

(3) The development of strong political and economic ties between countries of the South Caucasus and Central Asia and the West will foster stability in the region.

(4) The development of open market economies and open democratic systems in the countries of the South Caucasus and Central Asia will provide positive incentives of international private investment, increased trade, and other forms of commercial interactions with the rest of the world.

(5) The Caspian Sea Basin, overlapping the territory of the countries of the South Caucasus and Central Asia, contains proven oil and gas reserves that may exceed $4,000,000,000,000 in value.

(6) The region of the South Caucasus and Central Asia will produce oil and gas in sufficient quantities to reduce the dependence of the United States on energy from the volatile Persian Gulf region.

(7) United States foreign policy and international assistance should be narrowly targeted to support the economic and political independence of the countries of the South Caucasus and Central Asia.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the policy of the United States in the countries of the South Caucasus and Central Asia should be—

(1) to promote sovereignty and independence with democratic government;

(2) to assist actively in the resolution of regional conflicts;

(3) to promote friendly relations and economic cooperation; and

(4) to help promote market-oriented principles and practices;

(5) to assist in the development of infrastructure necessary for communications, transportation, and energy and trade on an East-West axis in order to build strong international relations and commerce between those countries and the stable, democratic, and market-oriented countries of the Euro-Atlantic Community; and

(6) to support United States business interests and investments in the region.

(c) DEFINITION.—In this section, the term ''countries of the South Caucasus and Central Asia'' means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan.

Mr. BROWNBACK. Mr. President, this will just take a minute or two, because the managers have agreed to this particular amendment.

I know Senator SMITH has a very important amendment that we are going to be voting on, which I support. I think he is in an absolute right position to be stating in this amendment what our aid should be based on.

I rise today to bring to the Senate's attention in a sense-of-the-Senate resolution another strategic important region of the world that is also being impacted by where it sits locationwise.

And these are countries that are transversed by the Old Silk Road.

The PRESIDING OFFICER. The Senator will suspend.

VOTE ON AMENDMENT NO. 889

The PRESIDING OFFICER. The Chair states that under the previous order the vote now occurs on amendment No. 889 offered by the Senator from Oregon. The yeas and nays have been ordered.

Mr. MCCONNELL. Mr. President, I understand that the Senator from Kansas is only asking for a few minutes.

Mr. BROWNBACK. That is correct.

Mr. MCCONNELL. I ask unanimous consent that the Senator from Kansas be given 5 minutes, and then the votes commence then.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. LEAHY. Reserving the right to object, and I will not object, if we are going to do that, the distinguished Senator from Virginia wanted an equal amount of time.

Mr. MCCAIN. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to amendment No. 889. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana [Mr. BURNS] is necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. BURNS] would vote ''yea.''

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

The result was announced—yeas 95, nays 4, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—95

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

NAYS—4

Bingaman	Kerrey
Byrd	Lugar

NOT VOTING—1

Burns

The amendment (No. 889) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. MCCONNELL. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Is the SMITH underlying amendment now the pending business?

The PRESIDING OFFICER. The question is on final passage of the energy and water appropriations bill, under a unanimous consent.

Mr. BYRD. Mr. President, I had hoped to speak briefly before this last vote to explain my reasons for voting against the amendment. This is a politically sensitive vote, and I did not have the opportunity to explain in advance.

I am sympathetic to the concerns of Senator SMITH with regard to religious minorities in Russia or anywhere else. The effect of the law recently passed by the Russian Duma is to discriminate against any religious group not recognized by the Soviet Government in 1982, which has the effect of recognizing the rights only of Orthodox Christianity, Islam, Judaism, and Buddhism. This represents an onerous act of discrimination against religious minorities within the Russian Federation.

I note that if the same standard included in the Smith amendment was applied to all other nations, we would be forced to terminate our foreign aid to other key United States allies, including Israel, Egypt, and Turkey. These nations, along with others, could not pass the test included in the Smith amendment. This amendment, therefore, discriminates against one nation, even while it claims that discrimination is its concern. Just as Russia should apply one standard in the case of all religions, so should the United States apply one standard in the distribution of foreign aid with all other nations.

Finally, I would note that there are other diplomatic methods that can be used to deal with this problem. When the United States was concerned about Jewish emigration from the Soviet Union, we were able to greatly increase such emigration by using quiet diplomacy. As soon as the Congress enacted laws publicly attacking the Soviets on this matter, emigration was sharply reduced. The Smith amendment could well have the same effect, and would only make matters worse for religious minorities in Russia, as Nationalist elements in the Duma may react in anger to this action.

I am not a strong advocate of foreign aid. I don't carry a brief for Russia, and as far as believing that religion should not be discriminated against, I don't think anyone in this Chamber would feel more strongly than I. But let me read to Members what the annual State Department report on human rights states in its report concerning Israel.

Section 5. Discrimination Based on Race, Sex, Religion, Disability, Language, or Social Status.

Under the complex mixture of laws and regulations that apply to the territories, Palestinians are disadvantaged under Israeli law and practices compared with the treatment received by Israeli settlers. This includes discrimination in residency, land and water use, and access to health and social services.

Reading from the same United States State Department report, concerning religious minorities in Israel:

In civic areas where religion is a determining criterion, such as the religious courts and centers of education, non-Jewish institutions routinely receive less state support than their Jewish counterparts. The status of a number of Christian organizations with representation in Israel has heretofore been defined by a collection of ad hoc arrangements with various government agencies. Several of these organizations are negotiating with the Government in an attempt to formalize their status.

Attempts to establish meaningful negotiations are ongoing.

Another paragraph, under the subject of—this is very fine print, and I have some difficulty reading it—''National/Racial/Ethnic Minorities.'' The State Department report says:

The government—

Meaning the Israeli government—

does not provide Israeli Arabs, who constitute 18 percent of the population, with the same quality of education, housing, employment, and social services as Jews. Government efforts to close the gaps between Israel's Jewish and Arab citizens have resulted in an estimated 180 percent increase in resources devoted to Arab communities between 1992 and 1996. Nevertheless, significant differences remain.

Now, Mr. President, I felt that Senators ought to know my reason, and I certainly want my constituents to know my reason, for voting against this amendment. I wanted to call to the attention of the Senate the problem here in rushing to vote on matters that we don't clearly understand when we come to the well to vote. And I have that problem as much as anybody. But it seems to me there is some inconsistency here in handing out foreign aid—the American taxpayers' money.

If foreign aid is going to be used as an enforcer of human rights, then we ought to be consistent. That is all I am saying. If we are going to be consistent, my colleagues, remember that you may be asked one day to cut off aid to Israel, or to cut off aid to Turkey. Senators know that I have fought battles on this floor here in support of Turkey, and so I am not saying this with any animus whatsoever toward the recipient countries; that is not it. I am just calling attention to the fact that we voted, in this amendment, to apply an ''enforcer,'' if I may use that term, concerning human rights, and it is not an enforcer tool that we apply consistently across the board against our friends. I don't know how we can defend votes like this to the American people.

I feel as strongly as anyone about religion. I am not of the religious right and I am not of the religious left. I don't claim even to be a good man. My Scripture tells me that no man is good—but this is another matter. And I hope that Senators know that we don't even have a waiver provision in this amendment. I should think that there ought to be a waiver—a national security waiver. The President should have an opportunity to waive this provision under certain conditions. That is not in this amendment. What I am saying, I certainly don't say critically of the author of the amendment. My sentiments, I am sure, are much like his in the overall. But I think we make the mistake when we vote without really understanding what we are voting on in a matter of this kind. This is a very politically sensitive matter. It is pretty difficult to explain your vote against this kind of an amendment—pretty difficult.

Finally, I note that there are other diplomatic methods that can be used to deal with this problem. When the United States was concerned about Jewish immigration from the Soviet Union, we were able to greatly increase such immigration by using quiet diplomacy. As soon as the Congress enacted laws publicly attacking the Soviets on that matter, immigration was sharply reduced.

The Smith amendment could well have the same effect, and would only make matters worse for religious minorities in Russia, as nationalist elements in the Duma may react in anger to this action.

Mr. President, that is the explanation of my vote.

I yield the floor.

VITIATION OF YEAS AND NAYS ON AMENDMENT NO. 888

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on amendment No. 888, as now amended.

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

Mr. MCCONNELL. Mr. President, I ask unanimous consent that Senators HELMS, D'AMATO, HATCH, and BENNETT be added as cosponsors to the Smith amendment.

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

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1998

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The question now is on the energy and water appropriations bill, S. 1004.

The yeas and nays have not been requested.

Mr. DOMENICI. 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. REID. Mr. President, I am grateful for the work by so many to reach conclusion on this most important appropriation bill.

Senator DOMENICI has been a real partner and I appreciate his openness with me and my staff.

Alex Flint and David Gwaltney have been easy to work with and have been essential to final passage of this bill. Minority clerk Greg Daines has rendered invaluable service to me and the country in helping develop this legislation. Elizabeth Blevins on the minority side has been most helpful. Bob Perret, a congressional fellow, has rendered valuable assistance to me with his scientific background.

I look forward to a quick conference and a speedy signature by the President.

DISPOSITION OF EXCESS PLUTONIUM

Mr. GORTON. Mr. President, I rise to engage in a colloquy with the distinguished chairman and ranking member of the subcommittee regarding an issue that has been underscored in the House report and deserves similar recognition within this distinguished body. The issue concerns the Department of Energy's program for disposition of excess weapons usable plutonium. This program, managed by the Department's Office of Fissile Materials Disposition, is an important cornerstone of international efforts related to arms reduction, nonproliferation, and world peace. It is a relatively new program within the Department, and one that deserves special recognition by this body and our unconditional support.

Mr. CRAIG. Mr. President, I rise in support of the gentleman from Washington State and to add my request that this body go on record in clear support of the Department's Plutonium Disposition Program. In particular, the Department should be commended for all its fine work leading to the January Record of Decision, which chose two options for the disposition of the excess weapons plutonium. These two options—immobilization and use of mixed oxide [MO_x] fuel in existing reactors—will set the pace for parallel activities in the former Soviet Union. We should encourage the Department now to implement this decision in an expeditious manner, for the sake of world peace and stability. In particular, we understand that the Department intends to begin the process of selecting the suite of industrial partners that will carry out the MO_x Program. I look forward to the fruits of that labor, and strongly encourage the Department to move out expeditiously. Accomplishments in this program can do a lot toward world security, not to mention what it can do for DOE's image and reputation at home and abroad.

Mr. DOMENICI. I thank my colleagues for highlighting this important program before the Senate as a whole, and I add my concurrence to the sentiments expressed.

Mr. REID. I, too, appreciate the thoughtful remarks of my colleagues and add my support.

ADVANCED HYDROPOWER TURBINE DESIGN

Mr. KEMPTHORNE. Mr. President, yesterday the managers accepted my amendment No. 870. The amendment will continue funding for an ongoing shared-cost research program for hydropower turbine design—commonly referred to as the ''fish-friendly hydropower program.''

In the Snake and Columbia Rivers, dams and turbines generate energy that fuel the Northwest economy. But while these facilities are used by this Nation for a tremendous good they also are, in part, responsible for the death and injury of critically endangered salmon. Some young salmon on their way to the ocean pass through the slowly moving turbine blades. The turbulence caused by the blades can and does injure some of these fish. This Nation has spent well over a billion dollars to save salmon as a result of the Endangered Species Act. Stocks of salmon continue to decline causing some to suggest removing the dams altogether. In light of this it seems amazing that we are in the process of removing funding from a promising technology that will save salmon and improve the efficiency of this renewable energy resource.

Phase I of the project—the conceptual/engineering designs—has been completed. Phase II needs to be funded for us to realize the benefits of the money already spent, and to provide the Nation with modern, environmentally sound technology.

We simply can no longer afford to use 50-year-old hydropower technology in a 21st century energy environment. We must learn to balance our environmental concerns with safe and clean energy development.

Preliminary work indicates that a well-focused R&D program can achieve major innovations in the design of environmentally sound hydropower turbines. For the last several years we have been pursuing a program funded by the hydropower industry with a modest contribution from energy and water development appropriations. This amendment will continue that program into the development of a biological design.

The U.S. hydropower industry raised $500,000 of its own funds to invest in phase I of this program. They can be expected to continue to contribute to this program in phase II.

Hydropower is the Nation's leading renewable energy source, producing 85 percent of the U.S. renewable energy capacity and 13 percent of all U.S. electric generation. In the Pacific Northwest States of Montana, Idaho, Oregon, and Washington 60 percent of electrical usage depends on hydropower. In the South and Northeast, hydropower remains an integral part of electrical energy supplies. The Clinton administration's climate change action plan identified a continued and expanding role for emission free hydropower in sustainable development. With proper siting and sound technology, the Department of Energy estimates hydropower can increase U.S. energy independence and opportunities for sustainable development in the United States and worldwide. With over 100 hydro facilities being relicensed over the next decade, the development of an alternative technology will be essential to maintaining electric generating capacity.

This is not the time to end a promising, environmentally sound and technologically efficient tool in our Nation's energy arsenal. We cannot in good conscience end funding for this program while the numbers of salmon stocks remain at their critically low levels.

TENNESSEE VALLEY AUTHORITY

Mr. JEFFORDS. Mr. President, the Tennessee Valley Authority was created as part of the New Deal to bring economic development and electricity to the Tennessee Valley. Much has changed since the 1930's. Fortunately, rural Americans now enjoy electricity, and the economy of the Tennessee Valley has improved significantly. That region's economy, in fact, is doing quite well and now is home to industry and businesses like Saturn Automotive and Gateway Computer. It's time for TVA to change, too.

Over the past six decades, TVA has become, by its own measure, the Nation's largest electric utility company, providing some of the cheapest electricity in the Nation. TVA's current managers are trying aggressively to prepare this giant government-owned utility for the competition that may result from deregulation. Earlier this year, in testimony before the Energy and Water Development Appropriations Subcommittee, TVA's Chairman argued that, in order to help prepare for this competition, the direct Federal appropriation to TVA should end. In fact, he stated, ''With your help, we can end taxpayer funding of TVA appropriated programs and begin a new era for TVA.'' It is my understanding that the Energy and Water Development Appropriations Subcommittee has voted to codify that request.

Reforming TVA should no longer be a controversial activity. More and more lawmakers have introduced bills to rethink the giant agency as we look toward a deregulated electricity industry and a balanced Federal budget. Even TVA's Chair, as mentioned before, has stated that the agency should forego its $106 million annual appropriation. TVA's former chief financial officer has gone further, arguing that the Federal Government should sell TVA. Sale, he argues, would generate big savings for taxpayers; reduce the Federal debt; provide a model for privatization; and move one of the largest electric companies out from under the burden of Federal bureaucracy into the private sector, where it would pay taxes.

Mr. President, I urge my Senate colleagues who will sit on the conference committee to take a first step toward reforming TVA by eliminating the agency's entire appropriation. I also urge my colleagues to consider more substantial changes to TVA in the context of reducing taxpayer subsidies and opening the electricity market to true competition.

Mr. STEVENS. Mr. President, I hope all Senators will support the work of Senator DOMENICI and Senator REID.

The PRESIDING OFFICER. The question is, ''Shall the bill pass?'' The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana [Mr. BURNS] is necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. BURNS] would vote ''yea.''

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

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

[Rollcall Vote No. 179 Leg.]

YEAS—99

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

NOT VOTING—1

Burns

The bill (S. 1004), as amended, was passed, as follows:

S. 1004

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1998, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $164,065,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Norco Bluffs, California, $200,000;

Laulaulei, Hawaii, $200,000;

Tahoe Basin Study, Nevada and California, $320,000; and

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $400,000: *Provided,* That the Secretary of the Army, acting through the Chief of Engineers, may use $200,000 of funding appropriated herein to initiate preconstruction engineering and design for the Delaware Coast from Cape Henlopen to Fenwick Island, Delaware project.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,284,266,000, to remain available until expended, of which such sums as are necessary pursuant to Public Law 99–662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri, Lock and Dam 14, Mississippi River, Iowa, Lock and Dam 24, Mississippi River, Illinois and Missouri, and Lock and Dam 3, Mississippi River, Minnesota, projects, and of which funds are provided for the following projects in the amounts specified:

Arkansas River, Tucker Creek, Arkansas, $300,000;

Red River Emergency Bank Protection, Arkansas, $3,500,000;

Panama City Beaches, Florida, $5,000,000;

Harlan (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $18,000,000;

Martin County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $5,500,000;

Middlesboro (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $7,200,000;

Pike County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $5,800,000;

Town of Martin (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $700,000;

Williamsburg (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,690,000;

Lake Ponchartrain Stormwater Discharge, Louisiana, $3,000,000;

Natchez Bluff, Mississippi, $4,000,000;

Jackson County, Mississippi (Water Supply), $3,000,000;

Pearl River, Mississippi (Walkiah Bluff), $2,000,000;

Wallisville Lake, Texas, $10,000,000;

Virginia Beach, Virginia (Reimbursement), $925,000;

Virginia Beach, Virginia (Hurricane Protection), $15,000,000;

Hatfield Bottom (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,000,000;

Lower Mingo (Kermit) (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $6,300,000;

Lower Mingo, West Virginia, Tributaries Supplement, $150,000;

Upper Mingo County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $3,000,000;

Levisa Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $400,000;

Tug Fork Basin Flood Warning System (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $400,000; and

Wayne County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,200,000: *Provided further,* That the Secretary of the Army is directed to design and implement at full Federal expense an early flood warning system for the Tug Fork and Levisa Basins, West Virginia and Kentucky, within eighteen months of the date of enactment of this Act: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to combine the Wilmington Harbor-Northeast Cape Fear River authorized by the Water Resource Development Act of 1986, section 202(a), the Wilmington Harbor Channel Widening authorized by the Water Resources Development Act of 1986, section 101(a)(23), and the Cape Fear-Northeast (Cape Fear) River authorized by the Water Resource Development Act of 1996, section 101(a)(22), North Carolina projects into one project with one project cooperation agreement based on cost sharing as a single project and that with $2,430,000 of the funds appropriated herein, is directed to continue design and initiate construction of the combined project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $15,000,000 of the funds appropriated herein to initiate construction of the Houston-Galveston Navigation Channels, Texas, project and execute a Project Cooperation Agreement for the entire project authorized in the Water Resources Development Act of 1996, Public law 104–303: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall consider the recommendations of the Special Reevaluation Report for the McCook Reservoir as developed by the Corps of Engineers Chicago District: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use up to $5,000,000 of the funding appropriated herein to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, and that this amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(D)(i)); except that funds shall not become available unless the Secretary of the Army determines that an emergency (as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) exists with respect to the emergency need for the outlet and reports to Congress that the construction is technically sound, economically justified, and environmentally acceptable and in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): *Provided further,* That the economic justification for the emergency outlet shall be prepared in accordance with the principles and guidelines for economic evaluation as required by regulations and procedures of the Army Corps of Engineers for all flood control projects, and that the economic justification be fully described, including the analysis of the benefits and costs, in the project plan documents: *Provided further,* That the plans for the emergency outlet shall be reviewed and, to be effective, shall contain assurances provided by the Secretary of State, after consultation with the International Joint Commission,

that the project will not violate the requirements or intent of the Treaty Between the United States and Great Britain Relating to Boundary Waters Between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the ''Boundary Waters Treaty of 1909''): *Provided further,* That the Secretary of the Army shall submit the final plans and other documents for the emergency outlet to Congress: *Provided further,* That no funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to carry out the portion of the feasibility study of the Devils Lake Basin, North Dakota, authorized under the Energy and Water Development Appropriations Act, 1993 (Public Law 102–377), that addresses the needs of the area for stabilized lake levels through inlet controls, or to otherwise study any facility or carry out any activity that would permit the transfer of water from the Missouri River Basin into Devils Lake.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g–1), $289,000,000, to remain available until expended: *Provided,* That notwithstanding the funding limitations set forth in Public Law 104–6 (109 Stat. 85), the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to use additional funds appropriated herein or previously appropriated to complete remedial measures to prevent slope instability at Hickman Bluff, Kentucky.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,661,203,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662, may be derived from that fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that fund for construction, operation, and maintenance of outdoor recreation facilities, and of which funds are provided for the following projects in the amounts specified:

Beverly Shores, Indiana, $1,700,000:

Provided, That no funds, whether appropriated, contributed, or otherwise provided, shall be available to the United States Army Corps of Engineers for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to dredge a navigational channel in the Chena River at Fairbanks, Alaska from its confluence with the Tanana River upstream to the University Road Bridge that will allow the safe passage during normal water levels of vessels up to 350 feet in length, 60 feet in width, and drafting up to 3 feet.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $106,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $10,000,000, to remain available until expended: *Provided,* That, using funds appropriated in this Act, the Secretary of the Army may construct the Ten and Fifteen Mile Bayou channel enlargement as an integral part of the work accomplished on the St. Francis Basis, Arkansas and Missouri Project, authorized by the Flood Control Act of 1950.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Engineering Strategic Studies Center, the Water Resources Support Center, the USACE Finance Center and for costs of implementing the Secretary of the Army's plan to reduce the number of division offices as directed in title I, Public Law 104–46, $148,000,000, to remain available until expended: *Provided,* That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the Division Offices.

REVOLVING FUND

Amounts in the Revolving Fund may be used to construct a 17,000 square foot addition to the United States Army Corps of Engineers Alaska District main office building on Elemendorf Air Force Base. The Revolving Fund shall be reimbursed for such funding from the benefitting appropriations by collection each year of user fees sufficient to repay the capitalized cost of the asset and to operate and maintain the asset.

ADMINISTRATIVE PROVISION

Appropriations in this title shall be available for official reception and representation expenses (not to exceed $5,000); and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. (a) In fiscal year 1998, the Secretary of the Army shall advertise for competitive bid at least 8,500,000 cubic yards of the hopper dredge volume accomplished with government owned dredges in fiscal year 1992.

(b) Notwithstanding the provisions of this section, the Secretary is authorized to use the dredge fleet of the Corps of Engineers to undertake projects when industry does not perform as required by the contract specifications or when the bids are more than 25 percent in excess of what the Secretary determines to be a fair and reasonable estimated cost of a well equipped contractor doing the work or to respond to emergency requirements.

SEC. 102. In fiscal year 1998 and thereafter, the Secretary of the Army is authorized and directed to provide planning, design and construction assistance to non-Federal interests in carrying out water related environmental infrastructure and environmental resources development projects, including assistance for wastewater treatment and related facilities; water supply, storage, treatment and distribution facilities; and development, restoration or improvement of wetlands and other aquatic areas for the purpose of protection or development of surface water resources: *Provided,* That the non-Federal interest shall enter into a binding agreement with the Secretary wherein the non-Federal interest will provide all lands, easements, rights-of-way, relocations, and dredge material disposal areas required for the project, and pay 50 per centum of the costs of required feasibility studies, 25 per centum of the costs of designing and constructing the project, and 100 per centum of the costs of operation, maintenance, repair, replacement or rehabilitation of the project: *Provided further,* That the value of lands, easements, rights-of-way, relocations and dredged material disposal areas provided by the non-Federal interest shall be credited toward the non-Federal share, not to exceed 25 per centum, of the costs of dredging and constructing the project: *Provided further,* That hereafter the Federal share of the costs of each of the individual projects undertaken shall not exceed $5,000,000: *Provided further,* That utilizing $10,000,000 of the funds appropriated herein, the Secretary is directed to carry out this section.

SEC. 103. GREEN BROOK SUB-BASIN FLOOD CONTROL PROJECT, NEW JERSEY.—No funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to carry out any plan for, or otherwise construct, the Oak Way detention structure or the Sky Top detention structure in Berkeley Heights, New Jersey, as part of the project for flood control, Green Brook Sub-basin, Raritan River Basin, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4119).

SEC. 104. GREAT LAKES BASIN.—No funds made available under this Act may be used by the Secretary of the Army to consider any application for a permit that, if granted, would result in the diversion of ground water from the Great Lakes Basin.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For carrying out activities authorized by the Central Utah Project Completion Act, Public Law 102–575 (106 Stat. 4605), and for activities related to the Uintah and Upalco Units authorized by 43 U.S.C. 620, $40,353,000, to remain available until expended, of which $16,610,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: *Provided,* That of the amounts deposited into that account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Central Utah Project Completion Act and $11,610,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under that Act.

In addition, for necessary expenses incurred in carrying out responsibilities of the Secretary of the Interior under that Act, $800,000, to remain available until expended.

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

WATER AND RELATED RESOURCES

(INCLUDING TRANSFER OF FUNDS)

For management, development, and restoration of water and related natural resources and for related activities, including

the operation, maintenance and rehabilitation of reclamation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and other agreements with, state and local governments, Indian tribes, and others, to remain available until expended, $688,379,000, of which $18,758,000 shall be available for transfer to the Upper Colorado River Basin Fund and $55,920,000 shall be available for transfer to the Lower Colorado River Basin Development Fund, and of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund: *Provided,* That such transfers may be increased or decreased within the overall appropriation under this heading: *Provided further,* That of the total appropriated, the amount for program activities that can be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 460l–6a(i) shall be derived from that Fund or account: *Provided further,* That funds contributed under 43 U.S.C. 395 are available until expended for the purposes for which contributed: *Provided further,* That funds advanced under 43 U.S.C. 397a shall be credited to this account and are available until expended for the same purposes as the sums appropriated under this heading: *Provided further,* That using $500,000 of funds appropriated herein, the Secretary of the Interior shall undertake a non-reimbursable project to install drains in the Pena Blanca area of New Mexico to prevent seepage from Cochiti Dam: *Provided further,* That funds available for expenditure for the Departmental Irrigation Drainage Program may be expended by the Bureau of Reclamation for site remediation on a non-reimbursable basis: *Provided further,* That section 10 of Public Law 89–108 as amended by section 8 of Public Law 99–294 and section 1701(b) of Public Law 102–575, is further amended by striking ''$61,000,000'' and inserting in lieu thereof ''$62,300,000'': *Provided further,* That the unexpended balances of the Bureau of Reclamation appropriation accounts for ''Construction Program (Including Transfer of Funds)'', ''General Investigations'', ''Emergency Fund'', and ''Operation and Maintenance'' shall be transferred to and merged with this account, to be available for the purposes for which they originally were appropriated: *Provided further,* That the Secretary of the Interior may use $80,000 of funding appropriated herein to complete the feasibility study of alternatives for meeting the drinking water needs on the Cheyenne River Sioux Reservation and surrounding communities in South Dakota: *Provided further,* That the Secretary of the Interior may use $2,500,000 of funds appropriated herein to initiate construction of the McCall Area Wastewater Reclamation and Reuse, Idaho project: *Provided further,* That the Secretary of the Interior may use $300,000 of funding appropriated herein to undertake feasibility planning studies and other activities for the Ute Reservoir Pipeline (Quay County portion), New Mexico project: *Provided further,* That the Secretary of the Interior may use $185,000 of the funding appropriated herein for a feasibility study of alternatives for the Crow Creek Rural Water Supply System to meet the drinking water needs on the Crow Creek Sioux Indian Reservation.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $10,000,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $31,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, to remain available until expended, $425,000: *Provided,* That of the total sums appropriated, the amount of program activities that can be financed by the Reclamation Fund shall be derived from that Fund.

CALIFORNIA BAY-DELTA ECOSYSTEM RESTORATION

For necessary expenses of the Department of the Interior and other participating Federal agencies in carrying out the California Bay-Delta Environmental Enhancement and Water Security Act consistent with plans to be approved by the Secretary of the Interior, in consultation with such Federal agencies, $50,000,000, to remain available until expended, of which such amounts as may be necessary to conform with such plans shall be transferred to appropriate accounts of such Federal agencies: *Provided,* That such funds may be obligated only as non-Federal sources provide their share in accordance with the cost-sharing agreement required under section 102(d) of such Act: *Provided further,* That such funds may be obligated prior to the completion of a final programmatic environmental impact statement only if (1) consistent with 40 C.F.R. 1506.1(c), and (2) used for purposes that the Secretary finds are of sufficiently high priority to warrant such an expenditure.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f), and 3406(c)(1) of Public Law 102–575, to remain available until expended: *Provided,* That the Bureau of Reclamation is directed to levy additional mitigation and restoration payments totaling $25,130,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by section 3407(d) of Public Law 102–575.

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $47,558,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: *Provided,* That no part of any other appropriation in this Act shall be available for activities or functions budgeted as policy and administration expenses.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 6 passenger motor vehicles for replacement only.

TITLE III

DEPARTMENT OF ENERGY

NON-DEFENSE PROGRAMS

ENERGY RESEARCH

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy research in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 13 for replacement only), $953,915,000, to remain available until expended; and, in addition, $13,025,000 for energy assets acquisition, to remain available until expended: *Provided,* That $1,500,000 of the funds appropriated herein may be used to continue the cost-shared, fish-friendly turbine program.

ENVIRONMENTAL MANAGEMENT

(NONDEFENSE)

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for nondefense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $664,684,000, to remain available until expended: *Provided,* That from funds available herein, the Department of Energy will assess the cost of decommissioning the Southwest Experimental Fast Oxide Reactor site.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $230,000,000, to be derived from the Fund, to remain available until expended.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $160,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund; of which $4,000,000 shall be available to the Nuclear Regulatory Commission to license a multi-purpose cannister design; and of which not to exceed $1,500,000 may be provided to the State of Nevada, solely to conduct scientific oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, (Public Law 97–425), as amended; and of which not to exceed $6,175,000 may be provided to affected local governments, as defined in Public Law 97–425, to conduct appropriate activities pursuant to the Act: *Provided further,* That the distribution of the funds to the units of local government shall be determined by the Department of Energy: *Provided further,* That the funds shall be made available to the State and units of local government by direct payment: *Provided further,* That within ninety days of the completion of each Federal fiscal year, each State or local entity shall provide certification to the Department of Energy, that all funds expended from such payments have been expended for activities as defined in Public Law 97–425. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: *Provided further,* That none of the funds

herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multistate efforts or other coalition building activities inconsistent with the restrictions contained in this Act.

SCIENCE

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; and the purchase of 5 passenger motor vehicles for replacement only, $2,084,567,000, to remain available until expended; and, in addition, $138,510,000 science assets acquisition, to remain available until expended.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $220,847,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511, et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total $131,330,000 in fiscal year 1998 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1998 so as to result in a final fiscal year 1998 appropriation from the General Fund estimated at not more than $89,517,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $27,500,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only), $4,302,450,000, to remain available until expended, of which $2,000,000 is provided for improvements to Greenville Road in Livermore, California: *Provided*, That funding for any ballistic missile defense program undertaken by the Department of Energy for the Department of Defense shall be provided by the Department of Defense according to procedures established for Work for Others by the Department of Energy.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 6 for replacement only), $5,311,974,000, to remain available until expended, of which $65,000,000 shall be available only for ''Closure Projects'' to accelerate closure of specific facilities and thereby significantly reduce outyear costs; and, in addition, $343,000,000 for privatization projects, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of passenger motor vehicles (not to exceed 2 for replacement only), $1,637,981,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $190,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,500,000, to remain available until expended; and, in addition, $20,000,000 for capital assets acquisition, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for the anadromous fish supplementation facilities in the Yakima River Basin, Methow River Basin and Upper Snake River Basin, for the Billy Shaw Reservoir resident fish substitution project, and for the resident trout fish culture facility in southeast Idaho; and for official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1998, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $12,222,000, to remain available until expended; in addition, notwithstanding 31 U.S.C. 3302, not to exceed $20,000,000 in reimbursements for transmission wheeling and ancillary services, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $26,500,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $4,650,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7101, et seq.), and other related activities including conservation and renewable resources programs as authorized, including the replacement of not more than 2 helicopters through transfers, exchange, or sale, and official reception and representation expenses in an amount not to exceed $1,500, $180,334,000, to remain available until expended, of which $174,935,000 shall be derived from the Department of the Interior Reclamation Fund: *Provided*, That of the amount herein appropriated, $5,592,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: *Provided further*, That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $5,592,000 to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, $1,065,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $162,141,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, not to exceed $162,141,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1998 shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as revenues are received during fiscal year 1998 so as to result in a final fiscal year 1998 appropriation from the General Fund estimated at not more than $0.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $160,000,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $17,500,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $476,500,000, to remain available until expended: *Provided,* That of the amount appropriated herein, $17,000,000 shall be derived from the Nuclear Waste Fund: *Provided further,* That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to State governments, foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act may be retained and used for salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That revenues from licensing fees, inspection services, and other services and collections estimated at $457,500,000 in fiscal year 1998 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That the funds herein appropriated for regulatory reviews and other assistance provided to the Department of Energy and other Federal agencies shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: *Provided further,* That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1998 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to State governments, foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1997 appropriation estimated at not more than $19,000,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $4,800,000, to remain available until expended; and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: *Provided,* That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: *Provided further,* That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1998 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1998 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100–203, section 5051, $3,200,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $86,000,000, to remain available until expended:

TITLE V

GENERAL PROVISIONS

SEC. 501. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

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

SEC. 502. Section 1621 of title XVI of the Reclamation Wastewater and Groundwater Act, Public Law 104–266, is amended by—

(1) striking ''Study'' in the section title, and inserting ''Project'';

(2) inserting in subsection (a) ''planning, design, and construction of the'' following ''to participate in the''; and

(3) inserting in subsection (a) ''and nonpotable surface water'' following ''impaired ground water''.

SEC. 503. Section 1208(a)(2) of the Yavapai-Prescott Indian Treaty Settlement Act of 1994 (Public Law 103–434) is amended by striking ''$4,000,000 for construction'' and inserting in lieu thereof ''$13,000,000, at 1997 prices, for construction plus or minus such amounts as may be justified by reason of ordinary fluctuations of applicable cost indexes''.

SEC. 504. (a) The State of West Virginia shall receive credit towards its required contribution under Contract No. DACW59–C–0071 for the cost of recreational facilities to be constructed by a joint venture of the State in cooperation with private interests for recreation development at Stonewall Jackson Lake, West Virginia, except that the State shall receive no credit for costs associated with golf course development and the amount of the credit may not exceed the amount owed by the State under the Contract.

(b) The Corps of Engineers shall revise both the 1977 recreation cost-sharing agreement and the Park and Recreation Lease dated October 2, 1995 to remove the requirement that such recreation facilities are to be owned by the Government at the time of their completion as contained in Article 2–06 of the cost-sharing agreement and Article 36 of the lease.

(c) Nothing in this section shall reduce the amount of funds owed the United States Government pursuant to the 1977 recreation cost-sharing agreement.

SEC. 505. (a) IN GENERAL.—For fiscal year 1998 and each fiscal year thereafter, appropriations, made for the Bureau of Reclamation may be used by the Secretaries of the Interior for the purpose of entering into cooperative agreements with willing private landowners for restoration and enhancement of fish, wildlife, and other resources on public or private land or both that benefit the water and lands within a watershed that contains a Bureau of Reclamation project.

(b) DIRECT AND INDIRECT WATERSHED AGREEMENTS.—The Secretary of the Interior may enter into a watershed restoration and enhancement agreement—

(1) directly with a willing private landowner, or

(2) indirectly through an agreement with a State, local, or tribal government or other public entity, educational institution, or private nonprofit organization.

(c) TERMS AND CONDITIONS.—In order for the Secretary to enter into a watershed restoration and enhancement agreement—

(1) the agreement shall—

(A) include such terms and conditions mutually agreed to by the Secretary and the landowner;

(B) improve the viability of and otherwise benefit the fish, wildlife, and other resources on, in the watershed;

(C) authorize the provision of technical assistance by the Secretary in the planning of activities that will further the purposes of the agreement;

(D) provide for the sharing of costs of implementing the agreement among the Federal Government, the landowner, and other entities, as mutually agreed on by the affected interests; and

(E) ensure that any expenditures by the Secretary pursuant to the agreement is determined by the Secretary to be in the public interest; and

(2) the Secretary may require such other terms and conditions as are necessary to protect the public investment on private lands:

Provided, That such terms and conditions are mutually agreed to by the Secretary and the landowner.

This Act may be cited as the ''Energy and Water Development Appropriations Act, 1998''.

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

The Senate continued with the consideration of the bill.

AMENDMENT NO. 888

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 888), as amended, was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

PRIVILEGE OF THE FLOOR

Mr. McCONNELL. Mr. President, I ask unanimous consent that William D. Jackson, a congressional fellow on Senator JEFFORDS' staff, be granted privileges of the floor for the pendency of this legislation.

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

Mr. McCONNELL. Mr. President, Senator MURKOWSKI is here for the purpose of modifying his own amendment. We are going to go to Senator BROWNBACK, who has two amendments to offer which have been cleared on both sides; then to Senator ALLARD, who has an amendment on which I understand it is possible to get a 30-minute time agreement equally divided.

So, Mr. President, I ask unanimous consent that the Allard amendment, when it is offered, be limited to 30 minutes of debate equally divided.

Mr. ALLARD. Mr. President, reserving the right to object, I think there was a mistake in the remarks. There was going to be 15 minutes on each side, and the request was for 15 minutes equally divided. I wanted to clarify.

Mr. LEAHY. Mr. President, reserving the right to object, why don't we withhold the request on the Allard amendment until I see what it is. But I don't know whether that is going to be enough time.

Mr. McCONNELL. I am sorry. I apologize to my colleague from Vermont. I thought he knew the substance of the Allard amendment. So I will withhold on asking for a time agreement on the Allard amendment for the moment.

Then Senator HUTCHISON is here to offer an amendment with regard to MFN and China. Then Senator DODD and Senator McCAIN wish to offer an amendment related to the drug certification process for Mexico, which will be a rather spirited discussion, and it is my understanding that it is not possible to get a time agreement on that amendment at this time.

So, Mr. President, seeing my colleague from Alaska on his feet, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the chairman.

AMENDMENT NO. 894, AS MODIFIED

(Purpose: To provide an additional condition on the availability of $14 million in debt relief for North Korea)

Mr. MURKOWSKI. Mr. President, I call up amendment No. 894, and I send a modification of the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI], for himself, Mr. McCAIN, and Mr. NICKLES, proposes an amendment numbered 894, as modified.

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

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

The amendment is as follows:

On page 33, line 9, strike the period and insert in lieu thereof the following: ''*Provided further*, That the additional $14,000,000 made available to KEDO under this heading may not be obligated or expended until the Secretary of State certifies and reports to Congress that North Korea has not violated the Military Armistice Agreement of 1953 during the preceding nine months.''.

The PRESIDING OFFICER. The Senator's amendment is so modified.

Mr. MURKOWSKI. Mr. President, I ask that my colleagues, Senator McCAIN and Senator NICKLES, be named as cosponsors.

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

Mr. MURKOWSKI. Mr. President, it is my understanding that the amendment has been agreed to on both sides. It provides that the additional $14 million appropriated to relieve the KEDO debt not be available until the Secretary of State certificates that North Korea has not violated the military armistice agreement of 1953 during the preceding 9 months.

Basically, the amendment puts North Korea on notice that additional funds will not be available if North Korea commits another violation like the incident this morning at the DMZ.

I urge adoption of the amendment.

Mr. McCONNELL. Mr. President, it is my understanding that this amendment is not objected to by either side. I am unaware of any additional speakers.

The PRESIDING OFFICER. The yeas and nays have previously been ordered.

Mr. MURKOWSKI. I ask unanimous consent to vitiate the order for the yeas and nays.

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

Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 894), as modified, was agreed to.

Mr. MURKOWSKI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. The Senator from Kansas has been here patiently on the floor for some time and ready to offer two amendments which have been cleared on both sides.

Therefore, I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. I thank the chairman very much.

AMENDMENT NO. 892

Mr. BROWNBACK. Mr. President, I call up my amendment numbered 892.

The PRESIDING OFFICER. The amendment is now pending.

Mr. BROWNBACK. Mr. President, I rise today to introduce an amendment to S. 955.

This amendment deals with the United States policy for the south Caucasus and Central Asia, an area of the world that was once crisscrossed by the ancient Silk Road, which includes the countries—I have a map here for Senators to be able to look at—of Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan. This amendment deals with these countries.

These countries are very vital and important countries at a crossroads in their development. They are, as I mentioned, along the ancient Silk Road, if people can imagine and conjure up those images of that area of the world and the importance it has had in the past and the importance it now has and will continue to have for U.S. policy. We have vital political, social and economic interests there, and they need to be acted on before it is too late.

They are independent for the first time in almost a century. They are located at the juncture of many of today's major world forces, and they are all rich in natural resources. And they are looking west for the first time. They are emerging after nearly a century of being plundered by a Communist regime. While actively taking out their resources, the Soviets put little back. These countries now find themselves free to govern themselves.

Again, as I stated earlier, they are looking west. The very fact that they have had little experience with independence, and that their economies are essentially starting from scratch, leaves them in a precarious situation, which is all the more precarious because of their geographic location.

Consider this: They are placed between the empire from which they recently declared independence and an extremist Islamic regime to the

south—both of which have a strong interest in exerting economic and political pressure upon them.

All of the Silk Road countries are currently seeking U.S. investment and encouragement, and are looking to us to participate actively in working out regional political, economic and strategic cooperation.

Mr. President, we should be actively responding to their appeals. We have now the opportunity to spread freedom and democratic ideals in a region historically dominated by Russia and Iran. The doors are open to promote institutions of democratic government and create the conditions for the growth of pluralistic societies and religious tolerance. These countries are a major force in containing the spread northward of anti-Western Islamic extremism. So far, these nations remain largely open to us.

I would also like to point out something else that is important about this region: that is the Caspian Sea overlapping the territory of the South Caucasus and Central Asia that is rich in natural resources as I mentioned earlier.

I have another chart here I would like to show you to illustrate the energy resources which exist in the Caspian Sea area right here. If people would look at this chart, this is ''Worldwide Undiscovered Resource Potential of Oil and Gas''. You have the Middle East and Russia, the two leaders, and then the Caspian Sea area is potentially the third largest in the world, some say up to $4 trillion worth of oil and gas in this region, creating significant interest for economic ties and investments as well. The United States should do everything possible to promote the sovereignty and independence as well as encourage solid diplomatic and economic cooperation between these nations.

In order to do that, we need to take a number of positive steps. No. 1, we should be strong and active in helping resolve local conflicts. No. 2, we should be providing economic assistance to provide positive incentives for international private investment and increased trade. No. 3, we should be assisting in the development of the infrastructure necessary for communication, transportation, energy and trade on an East-West access. No. 4, we should be providing assistance to help fight the scourge of narcotics trafficking, weapons of mass destruction, organized crime and No. 5, perhaps the most important of all, we should be supplying all the assistance possible to strengthen democracy and tolerance and the development of civil society.

These are the best ways to remain sure that these countries will grow in independence and move strongly toward open and free government. Our time to focus on this region is now, to keep them from spreading into an area or being infiltrated by the spread of the anti-Western fundamentalism that is in this region of the world. That is why I urge my colleagues to adopt this amendment.

I believe it has been worked out with both the majority and the minority staff to agree to this amendment. I ask that the amendment be agreed to.

Mr. President, I urge its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 892) was agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 884, AS MODIFIED

Mr. BROWNBACK. Mr. President, I would like to call up amendment 884 and send a modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK] proposes an amendment numbered 884, as modified.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . PROMOTION OF RELIGIOUS FREEDOM AND HUMAN RIGHTS.

(a) REPORTS.—Not later than March 30, 1998, and each subsequent year thereafter, the Secretary of State shall submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate an annual report on religious persecution on a country-by-country basis. Reports shall include a list of individuals who have been materially involved in the commission of acts of persecution that are motivated by a person's religion.

(b) PRISONER INFORMATION REGISTRY.—The Secretary of State shall establish a Prisoner Information Registry which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith on a country-by-country basis. Such information shall include the charges, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners. The Secretary of State is authorized to make funds available to nongovernmental organizations presently engage in monitoring activities regarding such prisoners to assist in the creation and maintenance of the registry.

(c) SENSE OF CONGRESS CONCERNING ESTABLISHMENT OF A COMMISSION ON SECURITY AND COOPERATION IN ASIA.—It is the sense of the Congress that Congress, the President, and the Secretary of State should work with the governments of the People's Republic of China and other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. . UNITED STATES INTELLIGENCE ACTIVITIES RELATED TO MONITORING HUMAN RIGHTS ABUSES AND RELIGIOUS PERSECUTION.

(a) IN GENERAL.—The President shall devote additional personnel and resources to gathering intelligence information regarding human rights abuses and acts of religious persecution.

(b) REPORT.—Not later than March 30, 1998, the President shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report on the number of personnel and resources that are being devoted to gathering intelligence information regarding human rights abuses and acts of religious persecution.

Mr. BROWNBACK. Mr. President, I rise today to offer an amendment to this bill that would require the Clinton administration to improve the manner in which the State Department and our intelligence agencies monitor and publicize cases of religious persecution and human rights abuses.

Persecution of people of faith has been on the rise around the world. Governments throughout the world have been denying people the fundamental right of freedom of religion, a fundamental right upon which this country was built.

As a matter of policy, the United States should be doing all it can to bring religious persecution and other human rights violations to an end. One problem we face, however, is that we do not have an accurate accounting of the extent to which many governments persecute people of faith. We do not know the number of prisoners nor do we even have all the names of those prisoners. What we need is an accurate accounting of religious persecution. We need the administration to devote greater resources to monitoring religious persecution and to informing the Congress, as well as the American people, about such instances.

We also need to encourage a formal dialog with countries throughout the world to bring religious persecution to an end. Specifically, my amendment would do the following: Require a religious persecution report modeled on the State Department human rights report; require the establishment of a prison information registry; require the President to devote greater intelligence resources to gathering information regarding human rights abuses and acts of religious persecution; and encourage the administration to work with other nations to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

Mr. President, the U.S. Government has a responsibility to provide the public a better understanding of the extent to which nations violate this basic right of their citizens. My amendment would move us in this direction. I ask that my amendment be adopted.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 884), as modified, was agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BROWNBACK. I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I see the distinguished Senator from California is in the Chamber. I understand she has an amendment that may not take a good deal of time, and I yield the floor.

Mrs. BOXER. I thank the Senator.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 897

Mrs. BOXER. I will be very brief. The work has been done on this amendment. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. BOXER], for herself, Mr. ALLARD, Mr. SMITH of New Hampshire, Mr. LEAHY, and Mr. TORRICELLI, proposes an amendment numbered 897.

Mrs. BOXER. 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:

WILDLIFE CONSERVATION

SEC. . Of the funds appropriated by this Act, not more than $2,900,000 may be made available for the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) in Zimbabwe: Provided, That none of the funds appropriated by this Act may be used to directly finance the trophy hunting of elephants or other endangered species as defined in the Convention on International Trade in Endangered Species of Flora and Fauna (CITES) or the Endangered Species Act: Provided further, That the funds appropriated by this Act that are provided under the CAMPFIRE program may not be used for activities with the express intent to lobby or otherwise influence international conventions or treaties, or United States government decision makers: Provided further, That funds appropriated by this Act that are made available for the CAMPFIRE program may be used only in Zimbabwe for the purpose of maximizing benefits to rural people while strengthening natural resources management institutions: Provided further, That not later than March 1, 1998, the Administrator of the Agency for International Development shall submit a report to the appropriate congressional committees describing the steps taken to implement the CAMPFIRE program, the impact of the program on the people and wildlife of CAMPFIRE districts, alternatives to trophy hunting as a means of generating income for CAMPFIRE districts, and a description of how funds made available for CAMPFIRE in fiscal year 1998 are to be used.

Mrs. BOXER. The amendment that I have sent to the desk is a bipartisan amendment cosponsored by Senators ALLARD, SMITH, LEAHY, and TORRICELLI, and it concerns the CAMPFIRE Program in Zimbabwe. I particularly want to pay tribute to my colleagues, Senators ALLARD and SMITH, for being so strong on this subject. I thank my staff and the staffs of the chairman and ranking member for working on a good amendment that we can all agree on. I am particularly grateful to Senators LEAHY and MCCONNELL for their assistance and cooperation on this amendment.

Briefly, our amendment would maintain the positive aspects of the CAMPFIRE Program while restricting U.S. taxpayer funds being used for activities which are inconsistent with the goals of sustainable development for people and management of natural resources.

My amendment would assure that no taxpayer money is used to finance the trophy hunting of elephants and other endangered species or no taxpayer money could be used for any lobbying activities to weaken elephant protection standards. So we really basically do two things: Taxpayer dollars from America cannot be used to foster trophy hunting in Zimbabwe and taxpayer money cannot be used to lobby Senators or House Members or administration people to weaken elephant protection standards such as the ban on ivory.

Mr. President, these magnificent animals should be protected, not exploited. Our amendment requires USAID to submit a report to Congress on alternatives to trophy hunting and the impact of the CAMPFIRE Program on people and wildlife of Zimbabwe. I think these are very important steps in addressing the criticism about the way the program works. Some of us would have liked to have gone further than this, but we think that this amendment, the way it is drawn, will receive unanimous support, and we think is an important step to be taken.

The CAMPFIRE Program is beneficial to many rural impoverished people in Zimbabwe. It helps to provide the skills and tools necessary to enable local communities to make local decisions about how to manage their natural resources and generate revenue.

However, there are certain aspects of the program which do not promote sustainable development for rural people or improve natural resource management. My amendment restricts United States taxpayer dollars from being spent on those needless activities and directs all funds to be used to maximize benefits to rural people while strengthening natural resources management institutions in Zimbabwe.

I am aware that there have been many concerns raised about the trophy hunting aspects of the program. I do not support trophy hunting and I do not believe that one penny of taxpayer money should be used to finance trophy hunting. My amendment will ensure that no U.S. taxpayer dollars are directly spent on trophy hunting activities.

However, I do recognize that trophy hunting will continue in Zimbabwe. I believe that we need to provide countries like Zimbabwe with viable alternatives to trophy hunting which continue to generate income and promote sustainable development without involving the consumptive use of wildlife. My amendment requires USAID to submit a report to Congress providing alternatives to trophy hunting, and the impact of the program on the people and wildlife of CAMPFIRE districts.

People in Zimbabwe are living under very different conditions than we in the United States. We must recognize these differences in our approach to development while maintaining our high values and ideals. The CAMPFIRE Program in Zimbabwe will end in 1999, but USAID-funded development programs will continue for years to come. I am hopeful that the report which USAID will submit to Congress, will provide the United States with ideas for income diversification for future programs so that we can move away from the consumptive use of wildlife as a management regime.

USAID has proposed several improvements to the CAMPFIRE Program in recent months. These improvements are the result of the concerns raised by many concerned citizens and organizations such as the Humane Society of the United States. I commend the Humane Society for their efforts to make the United States more responsible for the use of taxpayer dollars. I also applaud USAID for taking steps to address these concerns. I believe that this process has been beneficial for all of those involved—especially the people and wildlife of Zimbabwe.

I want to thank Senators LEAHY, SMITH, ALLARD, and TORRICELLI for helping to make this a bipartisan effort toward improving development aid, maximizing benefits to local people, promoting a healthy elephant population, and ensuring that U.S. taxpayer money is used wisely.

Mr. ALLARD. Mr. President, I would like to begin by congratulating Chairman MCCONNELL and Senator LEAHY for their hard work in crafting this legislation and working to include language on the CAMPFIRE Program in the bill.

Mr. President, as I have made very clear in the past, I am a strong supporter of fiscal responsibility on the part of the Federal Government. It is our responsibility to use taxpayer's dollars in the most effective, and efficient way possible. This responsibility at times mandates that we review and question just where our tax dollars are going.

When USAID's Communal Areas Management Programme for Indigenous Resources or CAMPFIRE Program was first brought to my attention, I had to ask myself, just why are United States taxpayer's dollars being spent to fund big game hunting of elephants in Zimbabwe? If a program could spend dollars to hunt elephants how else are they spending our money? Asking myself these questions was not enough, so I began a comprehensive review of the CAMPFIRE Program.

Mr. President, I am pleased to announce, that as a result of congressional review a little more fiscal responsibility has been restored to the

U.S. Government. Our review of CAMPFIRE has produced three highly beneficial results.

First of all, fiscal year 1998 will be the last year that the CAMPFIRE project will receive funding. This will end the cycle of appropriations that has already lead to $28 million being spent on this program. This amount, though small in respect to the overall budget, is a good start to tightening up Government spending, especially U.S. funding for international projects.

Second, the appropriations language states that no U.S. tax dollars will go to directly fund the big game trophy hunting of Zimbabwe's elephants. I think we can agree that an endangered species such as the elephant should not be hunted with the tacit consent of the U.S. taxpayer through governmental funding.

Finally, for the remaining time CAMPFIRE is funded, USAID must submit to Congress the steps they have taken to implement the CAMPFIRE Program. This will allow us to watch their use of our dollars. For far too long the U.S. has funded international programs with little or no oversight—this will serve as an example of how Congress should police international funding measures.

Mr. President, I support the Foreign Operations Subcommittee's appropriations for fiscal year 1998 of the CAMPFIRE Program, with the understanding that this is the last year of the program, USAID submit information on how they implement the program, and no U.S. tax dollars will be spent to kill elephants. Now that we have ended the CAMPFIRE Program, it is my hope that we will not have to revisit this issue again in the future.

In conclusion, Mr. President, I would like to thank Senator BOXER and Senator SMITH of New Hampshire for their help in drafting this language.

I yield my time.

Mr. CRAIG. It is my understanding that the Communal Areas Management Program for Indigenous Resources [CAMPFIRE] Program in Zimbabwe is currently meeting all of the conditions placed on it by the amendment.

Mr. MCCONNELL. The Senator is correct.

Mr. CRAIG. It is my further understanding that Zimbabwe has a very successful elephant conservation program has had led to a population increase of 43,000 elephants in 1987 to 67,000 elephants in 1996 and that much of this success is due to the CAMPFIRE Program.

Mr. MCCONNELL. The Senator is correct.

Mr. CRAIG. It is my further understanding that the language in this amendment dealing with trophy hunting is only a prohibition on a direct USAID subsidy of hunting in the CAMPFIRE Program and should not be interpreted as a negative statement about the indispensable role hunting plays as a management tool for elephants and other foreign species.

Mr. MCCONNELL. The Senator is correct.

Mr. CRAIG. Finally, it is my understanding that nothing in this amendment should be interpreted as having any effect on any other U.S. law or regulation regarding wildlife conservation and hunting.

Mr. MCCONNELL. The Senator is correct.

Mr. CRAIG. I thank the Senator.

Mrs. BOXER. I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mrs. BOXER. I rescind that request. I ask for a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 897) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 891

(Purpose: To decrease the amount of funds available to OPIC for administrative expenses to carry out the credit and insurance programs)

Mr. McCONNELL. Mr. President, now under the informal order that we have here going from side to side, the Senator from Colorado is here.

Mr. ALLARD. I thank the Senator.

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. ALLARD] proposes an amendment numbered 891.

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

Mr. LEAHY. Reserving the right to object, the Senator is going to describe what the amendment is, I assume.

Mr. ALLARD. We shared a copy of that amendment. I think you have it. I will explain it in my remarks.

Mr. LEAHY. I do not have any objection.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. I thank the Chair. I thank Senator LEAHY.

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

The amendment is as follows:

On page 4, line 22, strike ''$32,000,000'' and insert ''$21,000,000''.

Mr. ALLARD. I thank the Chair.

Before I begin, I commend my friends, the subcommittee chairman, MITCH MCCONNELL, and Senator PATRICK LEAHY and chairman TED STEVENS and Senator ROBERT BYRD, for a very good bill. I support the bill. I believe its overall funding levels are very appropriate, and I plan on supporting it.

However, I have one concern. My amendment is very simple. It strikes the $32 million for administrative expenses for the Overseas Private Investment Corporation and scales it back to its 1994 level of $21 million.

Now, why was the year 1994 selected? In 1994, with Public Law 103–392, OPIC's congressional authorized lending authority was last raised. This increased the maximum contingent liability or lending authority cap for insurance from $9 billion to $13.5 billion and increased the contingent liability cap for financing from $2.5 billion to $9.5 million. However, since 1994, there have been no increases in the authorized lending cap for OPIC. As a matter of fact, I have recently learned that while at the end of 1996 OPIC's liability exposure has increased, their total number of issuances has decreased.

Now, in 1995, 1996 and 1997, OPIC's administrative expense appropriations have increased. In 1994, their administrative expense was $20.2 million; in 1995, their administrative expense was $25.8 million; in 1996, their administrative cost was $21.8 million, and in 1997 their administrative costs again increased to $32 million, while their cap was not increased one dime. In fact, there is a zero percent increase since 1994.

Now, their administrative appropriation over the same period has increased $12 million—over the last 3 years—resulting in a 50-percent increase.

Now, why should OPIC's administrative appropriation increase while their lending authority cap has stayed frozen? As I stated earlier, in reality their issuances have declined. While the $32 million in this bill is a freeze as of 1996—and I commend the committee for doing this, by the way—I believe it would be very appropriate to scale them back to the 1994 level.

All this is occurring while the future of OPIC is very much uncertain. On September 30, 1997, OPIC's authorization ends. As of today, I do not believe the Senate has a reauthorization bill for OPIC. From my understanding, the House of Representatives is just beginning the process of reauthorization and, in the report for the companion foreign operations appropriations bill, it states they are reluctant in the absence of an authorization bill to fund OPIC. I believe this number is enough to administer their outstanding liabilities, but there is still great uncertainly as to what the future holds for OPIC. If reauthorization does occur, then we can come back to this issue at a later date.

This amendment is not the place, nor do I plan to argue the specific pros and cons of OPIC, for that will come at a future date if we have a reauthorization bill. I plan to be involved in the debate at that time if that comes up. But this amendment is a matter of whether an agency, a Government entity, that depends on the full faith and credit of the United States, with Federal employees, should have their administrative expenses increased by 50 percent over the last 3 years while their authorized lending cap is not increased by one dime, zero percent.

Make no mistake, OPIC is a Federal agency. It needs the United States to fund its operation. This Congress should always be concerned when an agency staff grows faster than its authority. I know of very few agencies that have no growth in authority which get a 50-percent increase in administrative expenses. It seems, if we are at all serious about reducing the size and scope of Government and take our oversight role seriously, then all agencies should play by the same rules, and we as a Congress should apply these rules evenly to all agencies. I ask my colleagues to support this amendment and keep the growth of OPIC at a minimum, especially when their authorized cap has been frozen since 1994 and with their authorization expiring in September 1997.

Mr. President, I reserve my right to address the Senate and yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I rise to reflect a little on what my friend and neighbor—literally my neighbor—from Colorado has talked about here in the last few minutes regarding OPIC. First, I rise to oppose my friend, the distinguished Senator from Colorado, regarding his amendment. I will explain why.

Before I came to this body, I was a businessman, a small businessman. Over the last 15 years, my partners and I founded a number of companies. A number of those companies were international companies. I have dealt with OPIC directly. I understand a little bit about, I think, the real world, how jobs are created, how you must market in the international community, what kind of competition is out there against a little company like mine that has to go toe to toe with foreign competitors all over the globe.

One of the things I learned very quickly was when you go toe to toe with international competitors, whether it is telecommunications—which I know a little something about—or any other industry, the support that comes with your competitor, from his government, his country, is rather significant. I think that is important in this debate. As my friend, Senator ALLARD, said, we will have an opportunity to truly debate this issue over the next few months. But I would like to make a couple of points that I think are very relevant to OPIC, what OPIC does, what it represents. Again, I come at this, not as a U.S. Senator; I come at this as someone who understands a little bit about how this works and who has been out in the real world in over 60 countries and done business in about 20 of them.

First, I am concerned that an amendment like that of my friend, to slash administrative expenses, could lead to the very point that he is concerned with. It is a good point. If you slash administrative expenses for OPIC, the likelihood is the quality of the portfolio of OPIC, the quality of investments that OPIC has made and will continue to make, will suffer. I think it would cut directly to eliminating the ability to monitor those loan portfolios. I do not think that is in the best interests of the American taxpayer or anyone associated with OPIC. It endangers the creditworthiness of OPIC if you slash their administrative budget.

Let me hit just a few very specific points as to what OPIC does. There is an awful lot of sound and fury and smoke and mirrors when it comes to OPIC. First, OPIC, in fact, does level the playing field in global competition. I spoke to that earlier. All of America's major trade competitors have OPIC-like agencies to help them. It covers the gaps in the markets all over this world.

OPIC creates American jobs. I have a document here—I am sure Senator ALLARD has seen it—of the kind of jobs created in Colorado, his home State, and in my home State of Nebraska; the kind of revenues that flow into Colorado because of countries that buy from companies that have either OPIC insurance that they pay for, or OPIC loans that they pay for. This is a job creator. This is a growth creator. To give some of the specific numbers on this, since 1971 OPIC has supported $108 billion worth of U.S. projects resulting in over 250,000 new American jobs and $53 billion in new American exports. OPIC is prohibited under law from supporting any project that would result in the loss of one single American job.

Two, OPIC does not cost the taxpayers money. In fact, every year OPIC returns to the U.S. Treasury—last year $209 million. OPIC requires no appropriation of funds. Its operations are entirely funded by the market-rate fees it charges businesses. There is some myth about this. If you want an OPIC loan or guarantee or insurance, you pay for it. This isn't a free deal. OPIC is not corporate welfare. I am always amused, and I am a conservative Republican—let me tell you, I am for less Government and cutting Government and cutting taxes. But I am always amused when I ask my colleagues, what do you mean corporate welfare? What is corporate welfare?

No American business receives any subsidy or free benefit from OPIC. All OPIC loans must be paid in full. OPIC charges full market rates and, where applicable, high-risk-based interest rates and insurance premiums for all of its services. Remember, OPIC returns money to the Treasury through the fees it charges firms that use its services.

OPIC has a strong record. Let's not overlook this. It has extraordinarily low default rates, less than 1 percent since 1971. OPIC maintains a well-diversified portfolio by region, by sector, by industry, and maintains $2.7 billion in reserves. We have talked about the possibility of privatizing OPIC. Last year J.P. Morgan looked at it, made a study. It won't work that way. Let me tell you, when you are a small company, a small business like I had, to try to compete with the big guys from France and Germany and Britain—all over the globe—to be able to have some base of your country behind you, and you pay for that, is significant.

The last point I will make, OPIC supports small business. There is a lot of myth about that as well, that this is a big-business boondoggle. It is not. I am living proof of that. In 1996, OPIC supported record numbers of small business projects worth $1.8 billion in 17 countries. Many small American businesses are suppliers to the larger exporters that indirectly come through OPIC. More than half of all suppliers to OPIC-based projects are small businesses. This is a ripple effect. When we get projects and deals internationally, you have to sponsor those. You buy products to support those. And those come from States like that of my friend from Colorado and Nebraska and every State in the Union. So this is a ripple-effect operation.

Mr. President, again, I rise in opposition to this amendment. I think it is shortsighted and I think the wisest thing to do is to continue with our funding, with our authorization, and as I said earlier, we will have ample opportunity to address this issue in debate. But I don't think a hit-and-run way to approach this with an amendment is the correct way to do it.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I thank my good friend from Nebraska for his comments about OPIC. With all due respect to our colleague from Colorado, I, too, oppose the amendment. OPIC does not cost a single taxpayer dollar. OPIC is required by law to operate on a self-sustaining basis. Since 1971, it has reimbursed the U.S. Government for every dollar it has received and has reported positive net income every year since its inception. As the Senator from Nebraska pointed out, last year it returned $209 million to the Treasury. OPIC creates American jobs and exports. All major U.S. economic competitors have similar export promotion agencies. Scuttling OPIC would put our companies at an even further disadvantage than they already are.

Today, for example, at least 36 percent of Japan's exports enjoy Government subsidies compared with just 2 percent of American exports. In addition, Japan and France provide 77 percent of the total amount of export subsidies made available around the world.

As Senator HAGEL pointed out, that is what American businesses typically are up against in the international market. OPIC is not corporate welfare. OPIC charges market and risk-based interest rates and fees for all of its services, and all loans must be paid in full. All clients must pass industry standard and OPIC policy reviews. This is an agency that has functioned very

well in behalf of American interests and is actually returning money to the American Treasury. OPIC strongly supports small business, which is the heart of America's economic engine. The source of 6 out of every 10 jobs in this country is directly attributable to small business.

We have had this amendment every year and so far have been able to defeat it. I certainly hope we will be able to again, because OPIC is an important part of what makes American business competitive overseas.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I join with the distinguished Senator from Kentucky and the distinguished Senator from Nebraska in opposing this amendment. I, too, would note that OPIC does return money to the Treasury—the figure $209 million last year was used here. More important, it creates jobs in America.

I represent, in population, the second smallest State in the Union. OPIC is used in my State. It creates jobs, it creates exports, it helps our balance of payments. When you go to the larger States, of course, the dollar amount is just that much greater.

I do not know a business in my State that has turned to OPIC that has not received enormous help. I remember when the former Director of OPIC came to Vermont. She held a meeting there. We had lines going out the door; business people wanting to work with OPIC. It is one of those success stories.

It is also an area where we have to have the kind of tools that all our competitors have. We are in worldwide markets. We can no longer just rely on New Hampshire selling to Vermont, Vermont selling to New Hampshire, as an example. I say that seeing my good friend from New Hampshire is the distinguished Presiding Officer. We export way beyond our States, way beyond the borders of our Nation. But, every other First World—and a lot that go beyond the First World—country does the same. If they are a major exporter, as we are, there are boards like OPIC that help them.

Are there things that can be done better or different than OPIC? Possibly. But I ask the authorizing committee to look at that.

There will be an authorizing bill on OPIC. I am perfectly willing to listen to the recommendations of my friends on both sides of the aisle.

We felt, the Senator from Kentucky and myself—he as chairman and I as ranking member—in looking at these figures for OPIC that the amounts made sense. There certainly was unanimous concurrence of Republicans and Democrats on our subcommittee and in the full committee for the same reason.

If an authorizing bill comes through and changes that, it can change it. This money doesn't have to be spent and an authorizing bill can make a difference. I suspect with such an authorizing bill, you are going to hear success story after success story from States all over the Nation helped by OPIC.

So I hope my good friend from Colorado will withhold this amendment and let it be a matter to be discussed with the authorizing committee, but not on this appropriations bill.

I yield the floor.

The PRESIDING OFFICER. Who seeks time?

Mr. ALLARD addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I would like to have an opportunity to make some summarizing comments and then, if there are not any other statements, I will make a closing statement.

I would like to respond by saying it is true that there is some extra revenue that has come into OPIC, but the fact is that that is interest that they have earned, and OPIC itself, in saying how much more income it could generate, said if we could get away from having to buy Treasury bonds and invest in the stock market, we could generate more income.

To me, that sends a signal that we would be better off in the private sector. A lot of these businessmen have an opportunity to go to the private sector, go to the stock market to fund these projects overseas. And I am a small businessman, too, by the way. I started my business from scratch, but I think as business people, sometimes it is all too easy to turn to the agencies for help. We need to encourage business people to turn to the market and to focus on what they can do to meet the needs of the market. After all, this is an agency. It is a Government-run agency that is picking winners and losers. I would feel much more comfortable having a competitive market system picking winners and losers.

Many States, like the State of Colorado which I am from, have done a lot to promote foreign competition, but they have done it on their own. Most of the jobs and the new growth that has happened in Colorado has not been the result of OPIC. So I think we have to be careful and not give too much credit to this particular Federal agency.

Let me end by just stating, again, a few historical facts. In 1971, OPIC's administrative budget was $3.2 million. In 1981, it was $7.5 million. In 1988, it was $12 million. And in 1992, it was $16.4 million.

In 1996, their administrative appropriation was $28.1 million, and in 1997, it was $32 million. Also, according to OPIC, in 1988, their FTE's, or full-time equivalent employment ceiling, was 125. In 1992, it was 155, and in 1996, it was 182. As these historical numbers from OPIC point out, this is not some sleeping agency, but one whose administrative costs and employment have increased substantially.

If we take the 1996 number of employees and divide it into the 1996 administrative costs, it comes to $154,000 per employee. Now, I realize that not all this goes to employees' salaries, but also to normal office supplies and other office expenses that go to support each one of those FTE positions.

But here is the problem. I have yet to hear a compelling argument for continuing increase in the administrative budget when their liability cap is frozen. Also, as I and my staff have searched their records, I have yet to find a clear delineation of where their administration budget goes.

All I do know is that in this $32 million, and I quote from the bill, ''any project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with service provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not,'' again, ''shall not be considered administrative expenses for the purpose of this heading.''

I question what these expenses are and where they go. I cannot find them listed in their reports or from any correspondence. Oversight is a proper function of Congress, and we should pursue it vigorously.

While I may have some problems with OPIC, Mr. President, I do want to commend them for being prompt and professional in their manner of dealing with my inquiries, and I take my hat off to them for this.

Again, I reiterate, this amendment is not about OPIC and whether they should continue, because we will get to that later. But this is an argument of whether a U.S. Government agency should have a 50-percent increase in administrative expenses since 1994 when their congressionally mandated lending authority has been frozen during that same period. I urge my colleagues to support this amendment and ask for limited growth in all agencies.

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. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, with the concurrence of the Senator from Colorado, I would like to lay the amendment aside in the hope that we can stack votes for later.

Mr. ALLARD. Mr. President, I have no objection to that.

Mr. McCONNELL. I ask unanimous consent that we temporarily lay aside the Allard amendment.

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

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield the floor?

The Senator from Iowa.

AMENDMENT NO. 899

(Purpose: To promote democracy-building activities in Pakistan.)

Mr. HARKIN. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report:

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. WARNER, Mr. TORRICELLI, Mr. SANTORUM, and Mr. JOHNSON, proposes an amendment numbered 899.

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

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . DEMOCRACY-BUILDING ACTIVITY IN PAKISTAN.

(a) OPIC.—Section 239(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2199(f)) is amended by inserting '', or Pakistan'' after ''China''.

(b) TRAINING ACTIVITY.—Section 638(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2398(b)) is amended—

(1) by inserting ''or any activity to promote the development of democratic institutions'' after ''activity''; and

(2) by inserting '', Pakistan,'' after ''Brazil''.

(c) TRADE AND DEVELOPMENT.—It is the sense of Congress that the Director of the Trade and Development Agency should use funds made available to carry out the provisions of section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421) to promote United States exports to Pakistan.

Mr. HARKIN. Mr. President, I offer this amendment on behalf of myself, Senator WARNER, Senator TORRICELLI, Senator SANTORUM, and Senator JOHNSON.

Put simply, this amendment will allow the resumption of the Overseas Private Investment Corporation, OPIC, International Military and Education Training, IMET, Trade and Development Assistance, TDA, and democracy-building programs in Pakistan, such as the National Endowment for Democracy.

This measure, I will say at the outset, is not anti-India and it is not pro-Pakistan, it is pro-American interests. This will not be a vote for or against India or Pakistan. India is, of course, a friend of longstanding and an ally to the United States and is the largest and oldest democracy in the region. It already receives the benefit of OPIC and IMET, and it has for some time over 35 years. Therefore, I am confident that we can restore these programs to Pakistan without upsetting any balance at all to the region.

Trade between India and Pakistan is growing. OPIC assistance to Pakistan could actually help India because they are working with Pakistan in the energy sector. OPIC assistance would promote American investment in this sector.

Mr. President, it is now clear that continuing the policy of restricting OPIC and IMET to Pakistan will do nothing to direct further U.S. nonproliferation efforts in South Asia. At the same time, these restrictions seriously hinder our ability to advance United States interests in trade and investment in Pakistan. Our influence in the Pakistani military leadership and our ability to strengthen democracy and economic institutions in Pakistan is also adversely affected by these restrictions.

I understand the concerns of some of my colleagues in regard to Pakistan, and I share some of those concerns. The issue of nonproliferation in South Asia is, indeed, an extremely important issue, but U.S. interests in South Asia are important and increasing.

The region contains one-fifth of the world's population and occupies a critical geostrategic position—surrounded by China, the surging economies of East Asia, the Indian Ocean, the huge oil and gas reserves in the Persian Gulf and the Caspian basin.

Mr. President, I visited Pakistan and India earlier this year. I met in Pakistan with Prime Minister Sharif and other members of his government. I believe that Mr. Sharif has learned from past mistakes and is moving Pakistan in the right direction. He has a strong mandate in parliament and has already taken bold steps toward rooting out corruption, privatizing the economy and normalizing relations with India. These are positive steps, and the United States must send a strong signal of support and encouragement for Prime Minister Sharif's initiatives.

I strongly believe that it has come to the point where our uneven policy toward Pakistan is hampering our interests in the region. Improved human rights, nonproliferation and greater trade and investment are being held hostage by this shortsighted policy.

I am pleased that my amendment has the strong support of the administration in an effort to engage Pakistan on these important issues. Secretary Albright and Secretary Cohen both feel strongly about the need for these changes.

Mr. President, I have a letter dated the 16th of July from Secretary of Defense Cohen. He said:

I am writing to express my strong support for your legislation to restore IMET, OPIC, TDA and democracy-building programs in Pakistan . . .

We believe it essential to pursue these programs—not as a reward to Pakistan—but as a means of furthering important U.S. interests. Pakistan is now, and long has been, a friendly, moderate Islamic democracy in a very difficult region. We believe that by enabling it to participate in IMET, OPIC, TDA and democracy-building programs we will strengthen democracy in Pakistan as an institution, strengthen Pakistan's troubled economy, and strengthen our relationship with the Pakistani military—all of which serve important U.S. interests in South Asia.

Mr. President, I ask unanimous consent that the letter from Secretary Cohen be printed in the RECORD.

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

SECRETARY OF DEFENSE

Washington, DC, July 16, 1997.

Hon. TOM HARKIN,

U.S. Senate, Washington, DC.

DEAR TOM: I am writing to express my strong support for your legislation to restore the International Military Education and Training (IMET), Overseas Private Investment Corporation (OPIC), Trade and Development Agency (TDA), and democracy-building programs in Pakistan. These programs are currently precluded by sanctions that have been imposed on Pakistan under the Symington Amendment.

We believe it essential to pursue these programs—*not as a reward to Pakistan*—but as a means of furthering important U.S. interests. Pakistan is now, and long has been, a friendly, moderate Islamic democracy in a very difficult region. We believe that by enabling it to participate in IMET, OPIC, TDA, and democracy-building programs we will strengthen democracy in Pakistan as an institution, strengthen Pakistan's troubled economy, and strengthen our relationship with the Pakistani military—all of which serve important U.S. interests in South Asia.

DoD is particularly supportive of legislation that would restore Pakistan's IMET program. We believe that the positive impact of IMET on the Pakistani military will serve to enhance our overall relationship with Pakistan and, by extension, will facilitate our engagement with Pakistan in a number of important areas *including proliferation*. Moreover, given Pakistan's leading role in UN peacekeeping—Pakistan currently leads the world as a contributor of troops to UN peacekeeping operations—closer cooperation between our two armed forces is increasingly necessary for operational reasons. Senior Pakistani officers have told us that one of the consequences of our suspension of the IMET program has been that a generation of Pakistani officers has not had the positive exposure to U.S. and western values that is made possible through IMET. Without IMET to provide a countervailing argument, these officers may find the often anti-American message of Iran and Iraq more appealing.

Opponents of your legislation will claim that Pakistan's performance with regard to proliferation should not be ''rewarded'' by making it eligible for these assistance programs. We would respond that our denying any of these programs will not cause the Pakistanis to forego strategic programs which they believe are essential for their national security. However, by making these assistance programs available, we will not only serve U.S. interests directly but will improve the climate of our overall relationship thus encouraging Pakistan to be more receptive to our point of view in other areas.

I wholeheartedly support your efforts to enact this important legislation.

Sincerely,

BILL.

Mr. HARKIN. Let me read further from Secretary Cohen's letter. I want to get this last paragraph in. Secretary Cohen said:

Opponents of your legislation will claim that Pakistan's performance with regard to proliferation should not be ''rewarded'' by making it eligible for these assistance programs. We would respond that our denying any of these programs will not cause the Pakistanis to forego strategic programs which they believe are essential for their national security. However, by making these assistance programs available, we will not only serve U.S. interests directly but will improve the climate of our overall relationship thus encouraging Pakistan to be more receptive to our point of view in other areas.

Mr. President, I am also in receipt of a letter signed by Under Secretary

Thomas Pickering. Again, I will just read a couple parts of that:

Dear Senator HARKIN: The Secretary has asked me to convey her strong support for your proposed amendment to restore OPIC, IMET, TDA and democracy-building programs for Pakistan. We firmly believe that allowing these programs to operate in Pakistan is in the U.S. interest, and that once restored they will be a key factor in strengthening our relationship with an important and friendly country in a vital part of the world.

Mr. Pickering goes on:

In the wake of the election of Prime Minister Nawaz Sharif, Pakistan has adopted important political and constitutional reforms, which promise to strengthen both the quality and continuity of democratic rule. We want to bolster that effort by implementing programs to train Pakistan's elected representatives in democratic structures and legislative procedures. Your amendment would give us the requisite flexibility to proceed.

Mr. President, I ask unanimous consent that Secretary Pickering's letter be printed in the RECORD.

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

DEPARTMENT OF STATE, UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS,
Washington, DC, July 15, 1997.

Hon. TOM HARKIN,
U.S. Senate.

DEAR SENATOR HARKIN: The Secretary has asked me to convey her strong support for your proposed amendment to restore OPIC, IMET, TDA and democracy building programs for Pakistan. We firmly believe that allowing these programs to operate in Pakistan is in the U.S. interest, and that once restored they will be a key factor in strengthening our relationship with an important and friendly country in a vital part of the world.

In the wake of the election of Prime Minister Nawaz Sharif, Pakistan has adopted important political and constitutional reforms, which promise to strengthen both the quality and continuity of democratic rule. We want to bolster that effort by implementing programs to train Pakistan's elected representatives in democratic structures and legislative procedures. Your amendment will give us the requisite flexibility to proceed.

At the same time, the Government of Pakistan is undertaking an ambitious reform program to stabilize Pakistan's troubled economy. The United States, as Pakistan's leading trading partner and largest source of foreign investment, is in a favorable position to influence and benefit from a stable economic situation in Pakistan. Extending Trade and Development Assistance and OPIC support to U.S. firms in Pakistan will increase our engagement with the Pakistani government on reform issues, while ensuring that our firms are well positioned to compete for investment and trade opportunities.

Finally, we believe that restoring IMET programs will have an appreciable impact on our relationship with the Pakistani military. For seven years, the United States has lacked contact with junior and mid-level Pakistani officers, from whose ranks will emerge the next generation of Pakistani military leaders. We would serve our interests well by giving them exposure to U.S. practices, institutions, and values.

We, like you, continue to have concerns regarding Pakistan's record on non-proliferation issues. We consider non-proliferation to be one of the most complex and troubling issues in the South Asia region, and it will continue to be one of our highest priorities to work with the Pakistani government to restrain its nuclear and missile programs. That said, we need to consider carefully how to pursue our non-proliferation objectives in conformity with the entire range of U.S. interests in Pakistan. We believe that an initiative such as yours—which will help to develop Pakistan's democracy, increase bilateral trade and investment, and enhance our access to and influence with Pakistan's emerging military leadership—will advance our interests without undermining our non-proliferation agenda.

We appreciate and are pleased to support your effort.

THOMAS R. PICKERING.

Mr. HARKIN. Mr. President, a number of prominent United States business leaders have asked the State Department to resume OPIC support for investment in Pakistan so that American business interests are promoted in that region. In no other country in South Asia is OPIC prohibited from providing support and assistance. I have examples, a number of letters of United States businesses urging the administration to resume OPIC's support of Pakistan.

Mr. President, I have letters from several different companies that I have here that have written letters asking that OPIC be allowed to resume in Pakistan so that they can begin to invest in Pakistan—a letter from Occidental Oil and Gas; a letter from MCI Communications; a letter from Solar Turbines, a Caterpillar Company; a letter from Alpha-Gamma Technologies, Inc., in Raleigh, NC; a letter from Boston Technology, Inc., in Wakefield, MA; a letter from Hawkins Oil & Gas, Inc., in Oklahoma; a letter from Tenaska International, Omaha, NE; and several other letters. I will not read them all. But Mr. President, I ask unanimous consent that several of these letters be printed in the RECORD.

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

OCCIDENTAL OIL AND GAS CORP.,
Bakersfield, CA, April 10, 1996.

Hon. STROBE TALBOTT,
Deputy Secretary, Department of State, Washington, DC.

DEAR MR. SECRETARY: I am writing at this time concerning an important matter impacting on U.S. commercial relations with the Republic of Pakistan. I understand that the Overseas Private Investment Corporation (OPIC) is still not permitted to offer its programs in Pakistan. I urge you to review this matter and to do what you can to expedite the implementation of OPIC programs in Pakistan.

Occidental Petroleum Corporation has had successful oil and gas producing operations in Pakistan for twelve years. Pakistan presents unique business opportunities and offers a stable environment for American companies and for companies from a host of other countries around the world. U.S. trade and commercial ties with Pakistan serve to enhance the overall relationship between our two countries. However, in order for U.S. companies to compete more aggressively in Pakistan, they must have access to OPIC programs.

While I appreciate that there are other important and serious issues impacting on our bilateral relationship, I respectfully ask that you consider the vital commercial link that exists between the U.S. and Pakistan and move quickly to permit OPIC guarantees in Pakistan. The U.S. is the largest foreign investor in Pakistan and its largest trading partner. I am convinced that U.S. commercial interests in Pakistan would increase even more if OPIC programs were available. Furthermore, I am sure you will agree, that permitting OPIC to operate in Pakistan would contribute in a meaningful way to improving our overall bilateral relationship.

Thank you for your consideration.

Sincerely,

JAMES B. TAYLOR.

MCI COMMUNICATIONS CORPORATION,
Washington, DC, March 22, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary, Department of State, Washington, DC.

DEAR MR. TALBOTT: For many years, MCI has successfully conducted business in Pakistan with Pakistan PTT, the government-owned telephone company. Pakistan has proven to be a reliable business partner. We understand that the Overseas Private Investment Corporation (OPIC) is finalizing an agreement with the government of Pakistan to provide political risk insurance covering foreign investments in Pakistan. This agreement should provide the added security necessary for MCI and other American companies interested in increasing their investments in Pakistan. Any action taken to expedite completion of this agreement would be helpful.

Sincerely,

MARK ESHERICK,
Senior Policy Advisor.

SOLAR TURBINES,
Washington, DC, March 26, 1996.

Hon. STROBE TALBOTT,
Deputy Secretary, Department of State, Washington, DC.

DEAR MR. TALBOTT: This letter is a request for you to look favorably upon making the resources of the Overseas Private Investment Corporation available to U.S. exporters when doing business in the Country of Pakistan. Such action would be consistent with the availability of Export-Import Bank financing and insurance and the apparent desire on the part of the U.S. Government to work closely with the Government of Pakistan after the prime minister's visit of last year.

Pakistan represents an important market to U.S. exporters and the resources of OPIC will be of considerable value in generating additional export revenue and jobs within the United States. At the same time, the U.S. businesses will, by working more closely with Pakistan, further the cause of democracy and environmental awareness.

Your leadership in this matter will be greatly appreciated. Thank you for your consideration.

Most sincerely,

PETER CARROLL.

ALPHA-GAMMA TECHNOLOGIES, INC.,
Raleigh, NC, March 18, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. TALBOT: Alpha-Gamma Technologies, Inc. is actively pursuing a private power development project in Pakistan. Along with two other U.S. based companies, we have plans to make a significant investment in the power generation sector in that country. However, we are placed at a significant disadvantage against foreign competition due to non-availability of OPIC coverage.

I believe that recent legislation passed by the U.S. Congress makes OPIC coverage available in Pakistan. However, implementation of this legislation seems to be taking some time. Any assistance you can provide in expediting the availability of OPIC coverage in Pakistan would greatly help U.S. firms in their efforts to compete in the Pakistan market.

Sincerely,

REESE H. HOWLE,
President.

BOSTON TECHNOLOGY, INC.,
Wakefield, MA, March 19, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. STROBE TALBOTT: I am writing in response to a phone message from a Mr. Monsori Ali, the Economic Minister of Pakistan, at the Embassy in Washington. Boston Technology is a telecommunications firm employing more than 500 people in the Boston Area, with offices worldwide.

We have already done some business in Pakistan with Paktel, and are currently negotiating for additional business with PTC, the Pakistan Telephone Company.

It would be of great assistance if the Senate would approve the Opic Insurance provision currently under consideration.

Thank you for your interest in Boston Technology.

Sincerely,

TODD HASSELBECK,
Vice President International Sales.

HAWKINS OIL & GAS, INC.,
Tulsa, OK, March 14, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

Ref: OPIC Restoration for Pakistan.

DEAR MR. TALBOTT: This letter is a request that the process to restore OPIC insurance coverage for Pakistan be completed at the earliest possible date. Our company has been working since 1989 to construct and operate a 586 MW power plant—the Uch Power Project—in Pakistan. We have been pleased by the policy behind the Brown Amendment, and now are hopeful that its expected benefits can be realized. U.S. companies own over 50 percent of the Uch project equity, and most of the $625 million plant budget is for purchase of U.S. sourced goods and services.

We are on the verge of financial closing of this project, and hope to receive clearance for filing our application for OPIC insurance thereafter.

Please accept my thanks and appreciation in advance for your assistance.

Sincerely,

JOHN B. HAWKINS.

TENASKA INTERNATIONAL,
Omaha, NE, April 8, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary, Department of State, Washington, DC.

DEAR MR. TALBOTT: On behalf of the Uch Power project sponsors, I am writing to request your support for making Overseas Private Investment Corporation (OPIC) funding available for Pakistani projects.

As you know, Tenaska International and four other companies are developing the Uch Power Limited independent energy project in Pakistan. The other U.S. sponsors are GE Capital Corp. and Hawkins Oil and Gas. Additionally, Midlands Electricity of the UK and Hasan and Associates of Pakistan are project sponsors.

The $630 million project is nearing financial close, and limited construction already has begun. Having access to OPIC insurance is very desirable for the Uch project. Due to the project's advanced stage of development, we hope that OPIC insurance becomes available for Pakistan as soon as possible.

Speaking for Tenaska, we are most interested in future project development in Pakistan as well. Availability of OPIC insurance will be of great benefit to us for future projects.

We urgently request your support in making OPIC insurance available for projects in Pakistan.

Sincerely,

PAUL G. SMITH,
CEO, Tenaska International.

UNION TEXAS PETROLEUM,
March 20, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. TALBOTT: We are writing in support of initiatives by the Administration and in Congress to further improve relations between the United States and Pakistan, particularly the reactivation of Overseas Private Investment Corporation (OPIC) programs. Union Texas is a United States public company that has operated oil and gas concessions in Pakistan since 1977. During 1995, our operations produced approximately 37% of Pakistan's domestic oil production and 10% of its natural gas production. Over the years, we have had a productive and mutually beneficial relationship with the peoples and Government of Pakistan. We strongly believe that the United States should work to further strengthen its relations with Pakistan.

During 1995, Union Texas and the Government of Pakistan signed a new petroleum concession agreement and we began discussions regarding downstream projects, including electrical power generation and liquefied petroleum gas opportunities. The availability of OPIC programs could be a critical factor in our ability to commit to certain of these projects in the future.

We hope that the Administration will give its full support to reactivating OPIC's ability to offer its programs in Pakistan, thus encouraging U.S. investment and fostering a positive and supportive environment for relations between our two nations.

Very truly yours,

W. M. KRIPS.

SOUTHERN ELECTRIC INTERNATIONAL,
Atlanta, GA, March 19, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. TALBOTT: You may be aware that the Government of Pakistan (GOP) is pursuing a comprehensive program of privatizing some of its major state-owned companies. As part of this program, the GOP is privatizing the Kot Addu Power Station (KAPS) which is the largest (1600 MW) thermal electric power generating station in Pakistan. Southern Electric International is seriously pursuing this opportunity in competition with three other major international companies, two of which are non-U.S. This project will be bid this month with financial closing expected in September.

As a U.S. company, Southern Electric International's commercial objectives in Pakistan are constrained by the delays in the signing of the relevant protocol that will allow OPIC to provide the needed insurance risk coverages. The availability of OPIC insurance coverage for Pakistan would enhance the competitiveness and investment options available to Southern Electric and all U.S. companies interested in investing in Pakistan. Therefore, I would appreciate very much if your office would facilitate and support an expeditious signing of the relevant protocol.

Southern Electric is a wholly owned subsidiary of The Southern Company, one of the largest electric utility holding companies in the U.S., and is based in Atlanta, Georgia. Southern Electric finances, builds, owns and operates electricity generation, transmission and distribution assets in the U.S. and around the world. Currently, Southern Electric has international assets in Argentina, Bahamas, Chile, Trinidad and the United Kingdom.

Again, I appreciate your consideration and support with respect to OPIC insurance for Pakistan. If you have any questions or concerns regarding this matter, please feel free to contact me.

Regards,

THOMAS G. BOREN.

HYCARBEX, INC.
Irving, TX, March 20, 1996.

Mr. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. TALBOTT: This letter is a request that the process to restore OPIC insurance coverage for Pakistan be completed at the earliest date. Our company has obtained a petroleum concession in Pakistan and is soon mobilizing our resources for the exploration and development of hydrocarbon resources in Pakistan. I am confident that an agreement between the Governments of the United States and Pakistan regarding OPIC's coverage will assist not only in our business but also others who are interested in doing business in Pakistan.

Please accept my thanks and appreciation in advance for your assistance.

Yours sincerely,

DAVID L. COX,
President.

AES CORP.,
Arlington, VA, March 19, 1996.

Hon. STROBE TALBOTT,
Deputy Secretary of State,
Washington, DC.

DEAR MR. TALBOTT: The AES Corporation is an American company in the business of building, owning and operating private electric power generating facilities in the United States and abroad. We have seven plants in the U.S., three in the U.K., three in Argentina, and four in China. More recently, we have completed the financings for and begun construction of two power plants in Pakistan. It is because of this activity that we write to you.

We have been working in Pakistan for two and one half years, and have committed substantial amounts of time and—more recently—equity capital to this country. Our dealings with the Government of Pakistan have been uniformly characterized by both fairness and remarkable expedition. We're pleased with our success there, and with the positive impact on American jobs that this success will have, indirectly and directly.

What has been lacking in Pakistan is our ability to access the insurance and financing programs of the Overseas Private Investment Corporation (OPIC). As you know, until recently OPIC was congressionally prohibited from offering its services to U.S. companies operating in Pakistan.

These restrictions have now been lifted, and we urge you to act quickly to allow OPIC to offer insurance coverage there. It will help our efforts and the efforts of many American companies to do business in Pakistan.

Sincerely,

ROBERT F. HEMPHILL, Jr.,
Executive Vice President.

Mr. HARKIN. Mr. President, the Government of Pakistan is pursuing dramatic economic reforms, including liberalization, privatization, and deregulation in order to transition its economy into a fully market-oriented system. Once OPIC support is reinstated, the United States will be able to institute trade and development assistance programs as well. U.S. companies will be able to pursue business opportunities in a wide variety of sectors, such as power generation, telecommunications, highway construction, port development and operations, oil and gas, and banking and finance.

I also point out, Mr. President, that the Government of Pakistan is in the process of privatizing its banking system. OPIC can be of great help and support in doing that.

Further, the prohibition of IMET has meant an emerging generation of Pakistani military officers has not had access to training in the United States. Let me be clear that IMET does not mean the transfer or sale of any weapons. It only means valuable education assistance to other militaries which help foster valuable military-to-military contacts with the United States and the host country and allows the United States to impart its values to other militaries.

Mr. President, according to the Department of Defense, the Chinese are currently the single largest provider of military training to Pakistani Forces. Cutting off Pakistan from IMET assistance over the last 7 years has therefore reduced our contacts among the military leadership in Pakistan and reduced their exposure to United States institutions and values. This 7-year vacuum has been filled by China—not in our best interests. In addition to providing American-style military training, IMET can be used to provide training in human rights, military justice, and civilian-military relations.

The chief of the Army staff, General Karamat, for Pakistan, who attended the United States Army Command and General Staff College in Fort Leavenworth, KS, has stated that he would rather send his officers to the United States to study rather than to China. I think we ought to take him up on that.

The United States has an IMET Program with every country in South Asia except for Pakistan, including Nepal, Bangladesh, Sri Lanka, India, even the Maldives. This policy does not make sense. IMET should be restored not as a favor to Pakistan but because it is clearly in the United States interests to do so.

That is what this amendment is really all about, helping the Unites States. It is pro-American. Pakistan is not getting military training from the United States; it is getting it from China. Is that serving U.S. interests? I do not think so.

This amendment is not for anyone else but the United States because it will be our interests that are best served by it. Mr. President, let me briefly outline the long history of friendship between Pakistan and the United States.

I believe it is important that this appear in the RECORD.

Since 1947—50 years ago—the founding of the nation of Pakistan, the people of Pakistan have been helping to serve United States interests in South Asia and around the world. When the first Prime Minister of Pakistan, Liaqat Ali Khan, chose to undertake his first overseas visit, it was to the United States instead of to the Soviet Union, despite efforts by Moscow to entice him there and despite their proximity to both the Soviet Union and China. Since the late 1940's, Pakistan has helped the United States on numerous occasions in promoting and protecting American interests.

In a speech to this Congress, Prime Minister Liaqat Ali Khan proclaimed—and I quote—

> No threat or persuasion, no material peril, or ideological allurement could deflect Pakistan from its chosen path of free democracy.

Pakistan lived up to its commitments later on in June 1950, when it declared its unqualified support for the United States in our war in Korea and backed us in that war.

In 1954, they joined the Central Treaty Organization.

In 1955, they joined SEATO, the South East Asian Treaty Organization. These two American-backed alliances were aimed at the containment of communism and were very successful.

In 1959, our two countries signed a mutual defense treaty which is still operational today.

So this is a long history.

Again, some will say, well, Pakistan has had military dictatorships and violations of human rights. That is true. I understand that. But I believe that the freedom advocates, the freedom fighters, those who struggle continually in Pakistan for democracy and freedom have been at it continually. They have been assassinated and tortured and put in jail, but they continue to struggle for democratic freedoms in that country.

Those are the ones about whom I speak, not the military dictatorships, but the brave people in Pakistan that continue to struggle and fight and to maintain an adherence to democracy.

Mr. President, from that time on, Pakistan has been on our side and by our side whether it is in Korea or whether it is in Somalia, whether it is in Haiti, or in Bosnia. Yes, Pakistan right now has troops in Bosnia. And they have faced dangers time and time again, but they have stuck by our side.

I spoke, not the military dictators, not the repressive forces in Pakistan, but to those brave people of Pakistan who, through all of this, continue to struggle and to fight against corruption and to maintain an adherence to democracy.

In 1960, Pakistan's commitment, its friendship to the United States was put to a very severe test. Again, in accordance with the Mutual Defense Treaty, Pakistan allowed us to set up some bases. One of them was a base from which we flew our U–2 flights over the Soviet Union. One of those flights, as we all sadly remember, was shot down by the Soviets. Francis Gary Powers was the pilot, and we all know how the Soviets paraded him as one of their trophies.

Soviet leader Nikita Khruschchev turned his ire on Pakistan because he knew that was where the plane was based. He threatened to use nuclear arms and weapons against Pakistan. He boasted that the city of Peshawar would be wiped off the face of the Earth. The Foreign Minister of Pakistan, in his recently published account of the incident, describes the cool and confident reaction of the then-President of Pakistan, who dismissed the Soviet threat by saying, ''So what?''

Again, put yourself in that context. Korean war, Mutual Defense Treaty, allowing us to base our U–2 spy planes there. They are bordering right on the Soviet Union, and yet they stood by us.

Pakistan again came to the assistance of the United States by helping to facilitate the crucial opening of American relations with China. In 1970, then-Secretary of State Henry Kissinger undertook a secret visit to China from Pakistan. Thus, again, Pakistan served as that vital bridge between the United States and China. Again, it was critical in the cold war to restrain the Soviet Union.

From 1979 to 1989, the United States went to Pakistan and asked them to cooperate with us in and help us fight the Soviet invasion of Afghanistan through infiltration of military equipment and other devices. Once again, Pakistan said yes to the United States even though they faced great danger. Not only did the Soviet Union, again, threaten Pakistan with dire consequences, but launched a campaign of subversion and terror against Pakistan. The country experienced numerous violations of its ground and air space, terrorist bombings, and subversion.

Since 1992, Pakistan has been at the forefront of peacekeeping operations. We went to them and asked them to supply troops for Somalia, and they said yes. And we went to them and asked them to supply troops for the Haiti operation, and they said yes. And, Pakistan made significant contributions to the multinational force during the Gulf War to help liberate Kuwait. Pakistani troops are currently in Bosnia.

In 1995, we asked Pakistan to return a suspected terrorist, Ramzi Yousaf, for his alleged involvement in the World Trade Center bombing. And they did.

And, recently, the CIA was able to return to the United States, Mir Aimal Kansi, a Pakistani who is charged with killing two CIA employees outside CIA headquarters.

As a moderate democratic Islamic ally, Pakistan is our most tried and

trusted friend we have in the Islamic world. They have stood by our side against the Soviet Union's aggression. And they have stood by our side in the fight against terrorism.

So I say to my colleagues, let us treat our friend and ally Pakistan as they deserve to be treated due to their longstanding support for the United States, but most importantly it is in our best interests to do so. Granting OPIC and IMET will help U.S. business interests and U.S. national security interests. It will help exports, foster military-to-military contacts and give the United States better intelligence in the region. It is fair, it is right, and makes good sense for the United States to change its shortsighted policy and pursue long-term interests in the region.

Mr. President, I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Virginia.

Mr. WARNER. Mr. President, I am very pleased that my distinguished friend and colleague approached me to form a partnership for the purpose of this amendment. In different ways and at different times both of us have worked closely with Pakistan. As a member of the Intelligence Committee for 8 years, and then as vice chairman, I worked very closely during the war in Afghanistan, and through the years have come to know many of the distinguished persons from that nation who have come to the United States either in an official capacity or indeed many, many who have a heritage in Pakistan who have come to reside and take up their responsibilities in America.

And that is why I agreed to be the principal cosponsor with my distinguished colleague.

Specifically, the amendment would allow the United States to provide OPIC financing for United States companies operating in Pakistan; would allow the resumption of the IMET program to train Pakistani military officers in the United States; and would allow assistance for activities to promote the development of democratic institutions.

This limited economic and training assistance to Pakistan will ensure that the United States will remain constructively engaged with a nation that has a long history as a friend and ally of the United States.

Almost from its creation as a nation in 1947, Pakistan has assisted the United States in containing Soviet expansion in this critical part of the world. In 1954, the United States and Pakistan signed a mutual defense assistance agreement which, over the following 10 years resulted in the United States providing Pakistan over $700 million in military grant aid. United States economic aid to Pakistan was even more generous—this Nation provided over $5 billion to Pakistan from 1951–82.

This close relationship was of great benefit to the United States following the December 1979 Soviet invasion of Afghanistan. Pakistani cooperation was critical to the success of United States operations related to Afghanistan.

The amendment before the Senate today does not call for a full resumption of United States assistance to Pakistan. Most importantly, the existing prohibitions on providing military equipment would be retained. The programs we are talking about—particularly OPIC and IMET—are of great benefit to the United States, as well as Pakistan. OPIC financing will allow United States businesses to successfully compete for business opportunities in Pakistan; and IMET will allow the next generation of Pakistani military leaders to be exposed to our values.

During today's debate on this amendment, we will likely hear discussion about Pakistan's nuclear activities. While I share the concerns of my colleagues with the proliferation of weapons of mass destruction in South Asia, this amendment does not undermine our nonproliferation goals. To the contrary, I believe that we may be better able to influence developments in Pakistan if we remain engaged with that nation.

I urge my colleagues to support this amendment.

I compliment Senator HARKIN for his hard work on this amendment. We have talked with a number of our colleagues. We have talked with the administration. Former Ambassador Pickering, now a senior official at the Department of State, of course had written us. Those letters are now in the RECORD, to my understanding.

I rank him among the most knowledgeable of our present-day persons in the Department of State, indeed throughout the administration, and value his judgment greatly. I have worked with him for some 15 to 18 years now. And therefore, Mr. President, I strongly urge the adoption of this amendment.

At this time I yield the floor in recognition of my colleagues.

Mr. HARKIN. I just want to thank my colleague for his aid, his assistance, and strong support of this amendment, and for talking to colleagues here on the Senate floor about the importance to the U.S. interests of making sure we reinstate OPIC, IMET, TDA, the democracy initiative, and thank the distinguished Senator from Virginia for his strong support and his help in this effort.

Mr. WARNER. I thank my distinguished colleague, and particularly for his reference to IMET. It is a program I have dealt with throughout my career both in the Department of Defense and here in the Senate. And it returns great dividends to the United States. I am delighted that this will be a part of it.

I yield the floor.

Mr. GLENN. Mr. President, I rise to speak about the amendment offered by my colleagues, Messrs. HARKIN and WARNER, which would authorize the resumption of certain forms of economic assistance and military training activities with Pakistan.

The amendment would allow the provision of assistance by the Overseas Private Investment Corporation [OPIC], the resumption of military training activities, and certain other trade and democratic assistance to Pakistan. This aid had been terminated due to Pakistan's continued inability to keep its many promises and assurances to the United States concerning the peaceful nature of its nuclear program. The amendment would resume this specific assistance and do so unconditionally.

I used the word, ''unconditionally.'' That means, the assistance could continue in the future to flow even if Pakistan acquired new uranium enrichment assistance from China or transferred its own technology to some other country.

The aid could flow if Pakistan detonated a nuclear device or transferred nuclear weapons designs or components to some other country.

The aid could flow if Pakistan once again attempts to violate United States nuclear export control laws by acquiring nuclear equipment or materials for its bomb program.

The aid could flow if Pakistan starts the unsafeguarded production of plutonium, an activity that may soon commence with the completion of its production reactor at Khushab.

The aid could flow, in short, with no expectation whatsoever that such aid would be accompanied by further progress in restraining Pakistan's bomb program. And in so flowing, the aid could help Pakistan—albeit in a restricted way—to alleviate the burdens of United States nuclear sanctions. In other words, America could be helping Pakistan to cope with United States nuclear sanctions, rather than signaling our fundamental national conviction in policy and in law that proliferation must have a price. Instead of making proliferators pay, we could be issuing special rewards for proliferation.

The key here is obviously the word, ''could''. The President would be left, under this legislation, with the delegated responsibility of determining whether the continuation of U.S. assistance in the face of any of the activities above would truly serve the U.S. national interest. And I for one surely cannot imagine any circumstance where such a determination could be made.

Yet I hope that this amendment will not send the entire world exactly the wrong message about America's commitment to nonproliferation.

The amendment must not suggest that America has lost the political will to keep nonproliferation as a key national security policy in our dealings with other countries.

It must not signal that our country is more concerned with promoting its opportunities for trade and investment

than it is about curtailing the global spread of nuclear weapons.

It must not indicate that countries can make—and then systematically break—solemn promises to the United States concerning matters of profound importance to regional and international security, and do so without jeopardizing the flow of much-desired U.S. foreign assistance.

Now all of us here today are familiar with the notion that America should engage Pakistan by providing increased United States assistance as a means of restraining its nuclear program. It would not be the first time that members of the Senate or the Executive had argued that additional military or economic aid would serve as a valuable instrument of nonproliferation. But I do not believe that the sponsors of this amendment today would sincerely make such an argument. We simply cannot turn a blind eye to history.

Mr. President, I ask unanimous consent to insert at the end of my remarks a list of statements concerning the alleged value of United States foreign assistance as a tool of nuclear restraint in Pakistan. I urge my colleagues to read a few of such assurances that United States officials provided to Congress throughout the decade of the 1980's, the very decade, lest we forget, that Pakistan crossed its most significant milestones on its march to the bomb.

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

(See Exhibit 1.)

Mr. GLENN. I would like to remind my colleagues that most United States economic and military aid to Pakistan was cut off in October 1990 by President George Bush, when he was no longer able to certify that Pakistan did not possess nuclear weapons or that the provision of further United States aid would reduce the risk that Pakistan would come to possess such weapons. That language, found in the Pressler amendment, sec. 620E(e) of the Foreign Assistance Act, has been substantially relaxed in recent years, in part by the actions of Congress, and in part by actions taken unilaterally by the Executive. Let me review briefly just how far America has gone already to relax these sanctions.

The Brown amendment, which was enacted in February 1996, amended the Pressler amendment to allow the provision of all types of economic assistance, notwithstanding Pakistan's continuing non-compliance with the Pressler criteria. In addition to allowing the transfer of over a third-of-a-billion dollars of embargoed military gear to Pakistan—including spare parts and upgrades for Pakistan's probable nuclear-weapons delivery vehicle, the F–16—the Brown amendment also unconditionally authorized the resumption of the following aid: international narcotics controls; military-to-military contacts, including IMET; humanitarian and civic assistance projects; peacekeeping and other multilateral operations; antiterrorism assistance; an exemption from storage costs for embargoed military equipment; and delivery of military items sent to the United States for repair before the 1990 sanctions.

For its sponsors, the Brown amendment suffered from one rather serious problem, however. That amendment failed to recognize that Pakistan was still in violation of the Symington amendment, sec. 101 of the Arms Export Control Act, and the likelihood of presidential waiver of the latter was extremely remote, in light of Pakistan's continued violations of that law. In short, because the Brown amendment neither repealed nor amended the Symington amendment, the Symington amendment continues to outlaw the provision of aid under the Arms Export Control Act or the Foreign Assistance Act to Pakistan. That is why the present amendment is being offered—it is being offered to liberalize the sanctions under the Symington amendment.

I note that the International Financial Institutions Act only requires U.S. executive officers at those institutions merely ''to consider'' the nonproliferation credentials of the potential recipient country, and hence this does not prohibit continued aid via such institutions. Pakistan has received hundreds of millions of dollars in assistance from such institutions since October 1990.

The Export-Import Bank Act only requires the denial of credits in the event of violations of safeguards or a US nuclear cooperation agreement; nuclear detonations; or persons or countries that willfully aid and abet non-nuclear-weapon states to get the bomb.

A host of other legislative amendments have authorized the provision of the following forms of assistance to Pakistan, notwithstanding existing nuclear sanctions, via nongovernmental organizations: agricultural, rural development, and nutrition; population and health; education and human resources development; energy; appropriate technology; use of cooperatives in development; integrating women into national economies; human rights; environment and natural resources; endangered species; and private and voluntary organizations.

So America has not been heartless to the lot of Pakistan's vast majority, its poor people. We have over the years provided billions of dollars of assistance intended to improve the living conditions of the people of Pakistan.

Our grievance today is not with the people of Pakistan but with their Government. It arises in particular from the awesome and growing credibility gap between the peaceful words of Pakistan's leaders about their country's nuclear program, and the certain fact that Pakistan is continuing to develop nuclear weapons and the missiles to deliver them.

Now some might argue that we should simply be grateful that Pakistan is not detonating nuclear weapons right now. We should rejoice that Pakistan is not transferring its bombs, bomb designs, or bomb components—right now anyway—to other countries. We should be happy that Pakistan has not yet imported a complete nuclear reprocessing plant or uranium enrichment plant from China, and be grateful that it is only technical assistance and components that Pakistan has received for its bomb program from China. By golly, we should celebrate the fact that Pakistan does not yet have an ICBM, or that it has not yet attacked Indian civilian or military positions with nuclear weapons hung under the wings of United States-supplied F–16 aircraft. Yes, we can surely be grateful for all the above restraint.

But maybe, just maybe, all of this heroic nuclear restraint that Pakistan has exercised is due in good measure to the real and palpable costs that Pakistan would pay if it engaged in any of those flagrant activities—costs that include, but are no means limited to, the costs that are found in existing United States sanctions legislation.

We must examine, however, not just at what Pakistan has not done, but also recall what Pakistan has done. Here is what Pakistan has done recently:

Pakistan has acquired thousands of specially-designed ring magnets for its unsafeguarded uranium enrichment project, and reportedly acquired them just about the time the United States Congress was debating the Brown amendment in 1995. Pakistan's actions make a mockery not just of the Brown amendment, but also of America's nuclear nonproliferation policy as a whole.

Pakistan is nearing completion of an unsafeguarded plutonium production capability with its production reactor at Khushab and, by some reports, a related nuclear reprocessing plant.

Pakistan has in the eyes of most of the world, but evidently not yet those in our own State Department, acquired nuclear-capable M–11 missiles from China, and recently test-fired its HATF missile.

On March 20, 1997, the trade publication, Nucleonics Week, reported that ''Pakistan has completed its tests of its atomic bomb capability successfully through computer simulation.'' This claim was made by one who should know, Pakistan's former Army Chief of Staff, Mirza Aslam Beg, and comes as a particularly bitter reminder of the Senate's unfortunate decision last week to vote down a proposal by my colleagues, Messrs. COCHRAN and DURBIN, to tighten up export controls over high-powered computers going to Pakistan and other risky countries.

In June 1997, the CIA Director sent to Congress an unclassified report on global weapons proliferation in the last 6 months of 1996—Report entitled: ''The Acquisition of Technology Related to Weapons of Mass Destruction and Advanced Conventional Munitions: July-

December 1996''. Here is what the report had to say about Pakistan:

Pakistan was very aggressive in seeking out equipment, material, and technology for its nuclear weapons program, with China as its principal supplier. Pakistan also sought a wide variety of nuclear-related goods from many Western nations, including the United States. China also was a major supplier to Pakistan's ballistic missile program, providing technology and assistance. Of note, Pakistan has made strong efforts to acquire an indigenous capability in missile production technologies.

The report also said that,

The Chinese provided a tremendous variety of assistance to both Iran's and Pakistan's ballistic missile programs.

Needless to say, these are some of the key findings from just one recent unclassified U.S. government report, perhaps the tip of the proverbial iceberg.

Mr. President, I ask unanimous consent to insert into the RECORD at the end of my remarks copies of some of these relevant reports.

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

(See exhibit 1.)

Mr. GLENN. How are we to interpret such activities? Should we just write them off as due to India's own irresponsible nuclear and missile programs? Is it due to the so-called inevitability of proliferation? No, indeed, we need to redouble our efforts to roll back both countries' programs. Above all, we should not be engaging in acts that can reasonably be interpreted as rewards for proliferation.

I do not myself see this legislation as a reward for proliferation and do not believe that its sponsors, including its supporters in the Administration, so view it. But I worry more about how others will perceive it, particularly those in Pakistan and in the various ministries of other countries that may be working on clandestine projects to develop weapons of mass destruction. How far can Uncle Sam be pushed when it comes to avoiding sanctions against the bomb? If past is prologue, it appears that the unfortunate answer is, pretty far indeed.

Through this legislation, America has now made a gesture—based more on hope than on experience—that the Government and people of Pakistan will interpret as they wish. I hope they will recognize that America is sincere about its global commitments to nuclear and missile nonproliferation. I hope they recognize that America remains determined to pursue vigorously these commitments not only in Pakistan, but also in India, and indeed, wherever such illicit programs may exist.

I also hope—as the profound direct and indirect costs mount of maintaining these dangerous nuclear and missile programs—that the Government and people of Pakistan will come in due course to realize that there is a more rational course to follow and a new day will dawn. It is a course charted by the governments and people of South Africa, Brazil, Sweden, Switzerland, South Korea, Taiwan, Germany, Japan, and numerous other countries that individually reached their own decisions that their latent nuclear weapons options are just not worth the substantial national security and economic costs of exercising those options. Make no mistake about it: cost assessments have been and will continue to be crucial to national leaders around the world in making such decisions.

We will not come any closer to witnessing the dawn of that new day, however, if we continue on our current course of incrementally weakening the costs we impose for proliferation where it occurs. I remain concerned that while today's step is quite modest and incremental, the overall tendency is one that is suggestive of a weakening of America's resolve to pursue vigorously its key nonproliferation goals. Last week we gave the Senate's blessing to the disposal of licensing requirements for computers that were used in making hydrogen bombs. Today we loosen sanctions on Pakistan despite its ongoing nuclear and missile programs. Where will this process lead tomorrow?

That is the question that remains unanswered by today's legislation. It is a question that I surely hope is on the minds of each Member of Congress and the relevant offices in the Executive. Indeed, this is a question that should be on the minds of all Americans.

EXHIBIT 1

U.S. AID POLICIES AND PAKISTAN'S BOMB: WHAT WERE WE TRYING TO ACCOMPLISH?

Letters to Congress from Presidents Reagan & Bush, 1985–1989, required under sec. 620(e) of Foreign Assistance Act (Pressler Amendment)—''The proposed United States assistance program for Pakistan remains extremely important in reducing the risk that Pakistan will develop and ultimately possess such a device. I am convinced that our security relationship and assistance program are the most effective means available for us to dissuade Pakistan from acquiring nuclear explosive devices. Our assistance program is designed to help Pakistan address its substantial and legitimate security needs, thereby both reducing incentives and creating disincentives for Pakistani acquisition of nuclear explosives.''—President George Bush, 10/5/89; President Ronald Reagan, 11/18/88; 12/17/87; 10/27/86; & 11/25/85.

President George Bush, letter to Congress (addressed to J. Danforth Quayle as President of the Senate), 12 April 1991, urging abandonment of Pressler certification requirement: ''. . . my intention is to send the strongest possible message to Pakistan and other potential proliferators that nonproliferation is among the highest priorities of my Administration's foreign policy, irrespective of whether such a policy is required by law.''

Deputy Assistant Secretary of State Teresita Schaffer, testimony before House subcommittee, 2 August 1989: ''None of the F–16's Pakistan already owns or is about to purchase is configured for nuclear delivery . . . a Pakistan with a credible conventional deterrent will be less motivated to purchase a nuclear weapons capability.''

Deputy Assistant Secretary of Defense Arthur Hughes, testimony before House subcommittee, 2 August 1989: ''Finally, we believe that past and continued American support for Pakistan's conventional defense reduces the likelihood that Pakistan will feel compelled to cross the nuclear threshold.''

Deputy Assistant Secretary of Defense Robert Peck, testimony before House subcommittee, 17 February 1988: ''We believe that the improvements in Pakistan's conventional military forces made possible by U.S. assistance and the U.S. security commitment our aid program symbolizes have had a significant influence on Pakistan's decision to forego the acquisition of nuclear weapons.''

Special Ambassador at Large Richard Kennedy, testimony before two House subcommittees, 22 October 1987: ''We have made it clear that Pakistan must show restraint in its nuclear program if it expects us to continue providing security assistance.''

Assistant Secretary of State Richard Murphy, testimony before Senate subcommittee, 18 March 1987: ''Our assistance relationship is designed to advance both our non-proliferation and our strategic objectives relating to Afghanistan. Development of a close and reliable security partnership with Pakistan gives Pakistan an alternative to nuclear weapons to meet its legitimata security needs and strengthens our influence on Pakistan's nuclear decision making. Shifting to a policy of threats and public ultimata would in our view decrease, not increase our ability to continue to make a contribution to preventing a nuclear arms race in South Asia. Undermining the credibility of the security relationship with the U.S. would itself create incentives for Pakistan to ignore our concerns and push forward in the direction of nuclear weapons acquisition.''

Deputy Assistant Secretary of State Howard Schaffer, testimony before House subcommittee, 6 February 1984: ''The assistance program also contributes to U.S. nuclear non-proliferation goals. We believe strongly that a program of support which enhances Pakistan's sense of security helps remove the principal underlying incentive for the acquisition of a nuclear weapons capability. The Government of Pakistan understands our deep concern over this issue. We have made clear that the relationship between our two countries, and the program of military and economic assistance on which it rests, are ultimately inconsistent with Pakistan's development of a nuclear explosives device. President Zia has stated publicly that Pakistan will not manufacture a nuclear explosives device.''

Special Ambassador at Large Richard Kennedy, testimony before two House subcommittees, 1 November 1983: ''By helping friendly nations to address legitimate security concerns, we seek to reduce incentives for the acquisition of nuclear weapons. The provision of security assistance and the sale of military equipment can be major components of efforts along these lines. Development of security ties to the U.S. can strengthen a country's confidence in its ability to defend itself without nuclear weapons. At the same time, the existence of such a relationship enhances our credibility when we seek to persuade that country to forego [sic] nuclear arms . . . We believe that strengthening Pakistan's conventional military capability serves a number of important U.S. interests, including non-proliferation. At the same time, we have made clear to the government of Pakistan that efforts to acquire nuclear explosives would jeopardize our security assistance program.''

Statement by Deputy Assistant Secretary of State Harry Marshall, 12 September 1983, before International Nuclear Law Association, San Francisco: ''U.S. assistance has permitted Pakistan to strengthen its conventional defensive capability. This serves to

bolster its stability and thus reduce its motivation for acquiring nuclear explosives.''

President Ronald Reagan, report to Congress pursuant to sec. 601 of the Nuclear Nonproliferation Act (''601 Report''), for calendar year 1982—''Steps were taken to strengthen the U.S. security relationship with Pakistan with the objective of addressing that country's security needs and thereby reducing any motivation for acquiring nuclear explosives.''

President Ronald Reagan, report to Congress pursuant to sec. 601 of the Nuclear Nonproliferation Act (''601 Report''), for calendar year 1981—''Military assistance by the United States and the establishment of a new security relationship with Pakistan should help to counteract its possible motivations toward acquiring nuclear weapons . . . Moreover, help from the United States in strengthening Pakistan's conventional military capabilities would offer the best available means for counteracting possible motivations toward acquiring nuclear weapons.''

Assistant Secretary of State James Malone, address before Atomic Industrial Forum, San Francisco, 1 December 1981: ''We believe that this assistance—which is in the strategic interest of the United States—will make a significant contribution to the well-being and security of Pakistan and that it will be recognized as such by that government. We also believe that, for this reason, it offers the best prospect of deterring the Pakistanis from proceeding with the testing or acquisition of nuclear explosives.''

Undersecretary of State James Buckley, testimony before Senate Foreign Relations Committee, 12 November 1981: ''We believe that a program of support which provides Pakistan with a continuing relationship with a significant security partner and enhances its sense of security may help remove the principal underlying incentive for the acquisition of a nuclear weapons capability. With such a relationship in place we are hopeful that over time we will be able to persuade Pakistan that the pursuit of a weapons capability is neither necessary to its security nor in its broader interest as an important member of the world community.''

Testimony of Undersecretary of State, James Buckley, in response to question from Sen. Glenn, Senate Foreign Relations Committee, 12 November 1981, on effects of a nuclear detonation on continuation of cash sales of F–16's: ''[Sen. Glenn] . . . so if Pakistan detonates a nuclear device before completion of the F–16 sale, will the administration cut off future deliveries?

''[Buckley] Again, Senator, we have underscored the fact that this would dramatically affect the relationship. The cash sales are part of that relationship. I cannot see drawing lines between the impact in the case of a direct cash sale versus a guaranteed or U.S.-financed sale.''

Undersecretary of State James Buckley, letter to NY Times, 25 July 1981: ''In place of the ineffective sanctions on Pakistan's nuclear program imposed by the past Administration, we hope to address through conventional means the sources of insecurity that prompt a nation like Pakistan to seek a nuclear capability in the first place.''

EXHIBIT 2

[From Nucleonics Week, April 24, 1997]

PAEC OFFICIAL SAYS CHINA WILL MAKE KEY PARTS, FINISH CHASHMA BY 1999

(By Mark Hibbs)

TOKYO.—Pakistan's first imported PWR will be finished by the end of 1998, and contain equipment which China imported for its prototype PWR at Qinshan but which Chinese firms have since learned to make, according to Parvez Butt, a member of the Pakistan Atomic Energy Commission (PAEC).

Butt described the 300–MW PWR at Chashma as 70% complete in terms of both cost and equipment installed. Still to be installed are reactor internals.

For Qinshan-1, the reactor vessel and internals and steam generator tubing were manufactured in Japan, Germany, France, Sweden, and Britain. At that time, Western industry firms involved in making the equipment claimed that China did not have the metallurgical know-how needed to make all the equipment needed to replicate the plant in Pakistan (NW, 6 Feb. '92, 2). South Korean officials said in 1995 that Korea Heavy Industry & Construction Co. Ltd. (KHIC) had been approached to make the vessel, since it is already manufacturing vessels for China's larger indigenous PWRs at Qinshan, but the idea was dropped when Seoul applied to join the Nuclear Suppliers Group (NW, 28 Sept. '95, 1).

Butt said that the pressure vessel for Chashma-1 was made at a factory in northern China and has been undergoing testing since October. Butt said the vessel would be ''ready soon'' and would conform to international quality standards. According to French industry sources, China sought to make larger pressure vessels for the next French-supplied PWRs to be build in Guangdong Province, but experts at Framatome refused, citing quality concerns.

The steam generators for Chashma-1 will be made by Shanghai Boiler Works, and Shanghai Turbine Works will make the turbine generator. The unit's two main circulation pumps will also be provided by Chinese firms. Instrumentation and control (I&C) equipment is of Chinese design, Butt said, and will be manufactured by Chinese firms in Shanghai and Beijing.

Butt said China will also provide the first core and three reloads, using Chinese uranium enriched and fabricated into fuel in China. China has trained about 150 Pakistani operating and maintenance personnel at Qinshan, Butt said. Pakistan industry input to the Chashma project has been limited to some auxiliary equipment such as decontamination tanks in the liquid waste treatment system.

According to Butt, Pakistan paid cash for all the Chinese input to the Chashma project. Financing for a second Chinese unit there, he said, has ''not yet been arranged.''

[From Nucleonics Week, March 27, 1997]

NEW PAKISTANI GOVERNMENT RESTORES FULL FUNDING FOR CHASHMA PROJECT

(By Abdul Rauf Siddiqi)

KARACHI.—The new government of Nawaz Sharif has decided to divert unutilized funds amounting to about 4-billion rupees (U.S. $100-million) from the disbanded People's Works Programme to the 300–MW Chashma Nuclear Power Project, restoring the current year's budget to ensure the plant's on-time completion, government sources said.

The People's Works Programme was disbanded by the caretaker government headed by Miraj Khalid, which bridged the time between the dissolution of Benazir Bhutto's government to the formation of the current one. The caretaker government, brought into office on complaints of corruption, mismanagement, and misuse of funds in the Bhutto regime, allowed only those program projects which were near to completion to continue.

The caretaker government also reduced the allocation for Chashma by Rs 3-billion from the Rs 4.7-billion budgeted for fiscal 1996–97.

Chashma, being constructed at an estimated cost of Rs 31-billion by the China National Nuclear Corp., is said to be progressing on schedule and is expected to be completed by the target of October 1998. It is modeled on China's indigenous-design PWR at Qinshan.

[From Nucleonics Week, March 20, 1997]

EX-ARMY HEAD SAYS PAKISTAN BOMB PASSED COMPUTER SIMULATION TESTS

(By Abdul Rauf Siddiqi)

KARACHI.—Pakistan has completed its tests of its atomic bomb capability successfully through computer simulation, according to Pakistan's former Army Chief, retired general Mirza Aslam Beg in an interview with the Urdu language national daily Pakistan published in Lahore.

Beg, who retired in 1990, is head of the Awami Qiyadat Party (AQP) and of an international think tank, Foundation for Research on International Environment, National Defence & Security. He took over the reins of the armed forces after his predecessor died in a 1988 plane crash. He was the first army chief to confirm Pakistan's nuclear capability, and disclosed that the government froze the nuclear program in 1989 under U.S. pressure.

The former army chief's confirmation of Pakistan's nuclear test via computer came an India is preparing to conduct a final test of its intercontinental ballistic missile Prithvi at Arrisa, Khalij Bengal. Beg said that Pakistan's next step would be the technology to drop a bomb. He said he has no knowledge of Pakistan's possessing the needed missile technology, he said, ''we can use F–16 aircraft for the purpose.''

[From the Deutsche Presse-Agentur, July 3, 1997]

PAKISTAN CONFIRMS TEST FIRING ROCKET BUT GIVES NO DETAILS

ISLAMABAD.—A government spokesman in Islamabad confirmed Thursday that Pakistan's Space and Upper Atmosphere Research Council (Suparco) recently test fired a rocket.

''It was a routine test carried out by Suparco in rocket motor technology and was aimed at peaceful uses of technology,'' said the spokesman of the Foreign Ministry commenting on press reports that the test involved Hatf–3 missile.

The spokesman did not identify the rocket as Hatf–3 nor did he confirm a report that it had a range of 800 kilometres. ''I do not have the technical details,'' he said.

Suparco is a civilian organization and its research had ''no military component'', he added.

Pakistan has been developing the Hatf missile to rival India's medium-range Prithvi missile. China has been helping Pakistan in the effort and has also supplied its M–11 missiles to the Moslem country.

''You are free and welcome to locate the factory,'' the spokesman said rejecting as ''totally baseless'' a U.S. Time magazine report last month that spy satellites of the American Central Intelligence Agency had spotted the layout of a new missile factory in the suburbs of Rawalpindi, adjacent to Islamabad.

In the past, American intelligence agencies reports about the existence of secret nuclear facilities near Rawalpindi have neither been admitted nor proved independently.

[From Nucleonics Week, July 3, 1997]

U.S. BELIEVES KHUSHAB STILL COLD, NO HEAVY WATER SOLD BY CHINA

(By Mark Hibbs)

BONN.—U.S. officials last week categorically denied a report from Pakistan which claimed that an unsafeguarded reactor near

Khushab has started operating. One official monitoring nuclear developments in Pakistan told Nucleonics Week instead that ''all the data at hand indicates that the reactor is still cold.''

Two weeks ago, the Pakistani English-language newspaper Dawn asserted that the reactor is finished and has started up, but cannot produce electricity or reach full power because of a shortage of heavy water (NW, 19 June, 15).

Western officials conjectured that the Pakistani claim may have been triggered by a construction milestone at the reactor site or planted in response to recent reports that India has deployed the Prithvi ballistic missile.

In 1994, Western officials told Nucleonics Week that Pakistan was building a plutonium production reactor, rated at between 50 and 70 megawatts thermal, at a site near Khushab. These sources later added that intelligence pointed to construction of a fuel fabrication or reprocessing center near the reactor (NW, 22 Feb. '96, 6). As late as this April, however, a member of the Pakistan Atomic Energy Commission denied flatly that the reactor existed.

According to one U.S. official this week, however, the Khushab reactor ''is definitely out there'' but not scheduled to be finished ''until later this year or sometime in 1998.'' Another official said that, under the most optimistic schedule, completion of the reactor ''is several months away.'' Sources indicated that the reactor had not yet undergone cold testing, let alone become critical.

The Pakistani report suggested that the reactor would be used for electricity production as well as for isotope production. Recent surveillance photographs of the site, however, do not indicate that Pakistan is building power grid infrastructure, such as turbine generator equipment, for electricity generation. Moreover, Western officials said, it is not believed the reactor's chief purpose is isotope or silica production, as stated in the Pakistani account. Pakistan has a technical cooperation program with the IAEA for these activities, ''but none of this has got anything to do with Khushab,'' one Vienna official said, and the IAEA ''has not been informed'' by Pakistan that the reactor is under construction or that Pakistan plans to incorporate the unit into its existing technical cooperation program.

Sources said that, because Pakistan is facing a massive financial crisis, the U.S. and other creditor countries supporting the International Monetary Fund are trying to leverage Islamabad to keep the reactor from operating outside of IAEA safeguards. Zia Mian, a research fellow at the Union of Concerned Scientists in Cambridge, Mass., observed, ''If Pakistan were to start operating the reactor now, it would be taking a very major foreign policy step,'' demonstrating to the world that its unsafeguarded program is going forward regardless of U.S. opposition, and escalating military nuclear activities to include significant plutonium production.

INDIAN REPORT ALSO UNCONFIRMED

U.S. officials last week confirmed the assertion by Dawn that a critical factor which may indefinitely delay full-power operation of Khushab is shortage of heavy water. But they did not confirm recurring Indian reports that China, which the U.S. believes to have supported construction of Khushab, also provided heavy water for it. According to Western intelligence sources, a full inventory of heavy water for the unit would be about 15–20 metric tons (MT), though it could go critical with a smaller amount.

Indian sources said that, in 1996, China sold Pakistan 40 MT for Khushab, U.S. officials said the Indian government had told Washington this recently, but U.S. government agencies ''could not confirm'' the Indian assertion. A U.S. official said last week that, when New Delhi made the allegations to Washington, the U.S. ''went back to the Chinese on this'' and received assurances from Beijing that Chinese entities did to sell heavy water to Pakistan for Khushab.

U.S. officials said Indian allegations of Chinese heavy water trading with Pakistan were first made during the 1970s, and the most recent claims were initially taken seriously because there is evidence of past Chinese heavy water sales to both India and Pakistan.

Last year, the Department of State, now negotiating a resumption of nuclear commerce with China, asserted to the U.S. Congress that as of May 1996, China was not assisting any unsafeguarded foreign nuclear programs. Despite the Indian claims, U.S. officials last week continued to back China's nonproliferation credentials. ''That means nothing has gone to Khushab,'' since mid-1996, ''and no heavy water,'' one U.S. official involved said June 26.

According to the Pakistani report, administrative difficulties in Pakistan had prevented heavy water from being allocated for the Khushab reactor. Sources told Nucleonics Week that, in fact, most of Pakistan's scarce heavy water resources have, over the last two years, been allocated for the Kanupp PHWR, which generates electricity under IAEA safeguards. That allocation, sources said, reflected a general policy by Pakistan under former prime minister Benazir Bhutto not to take any steps, such as producing high-enriched uranium (HEU) at the Kahuta centrifuge enrichment plant, which would be seen by Washington as provocative and escalating regional nuclear tension. One source said, ''Keeping heavy water at Kanupp and away from Khushab should be seen by Washington as going hand-in-hand with not enriching uranium to HEU.''

Mr. TORRICELLI. Mr. President, I rise today in strong support of the Harkin amendment which restores OPIC, IMET, Trade and Development Assistance [TDA], and democracy-building institutions in Pakistan.

This amendment provides us with a unique opportunity to strengthen and solidify our relationship with Pakistan. Pakistan is a friendly country and vitally important to the United States. By restoring these programs, we can influence the course that Pakistan's economic and political reforms take and improve the continuity of its democratic government.

Pakistan has made great strides in these areas, and Prime Minister Sharif's election signals a turning point in Pakistani politics. As he moves to improve the quality of his country's government, the United States should provide the support necessary. Prime Minister Sharif has sponsored changes in the Pakistani constitution to end the President's power to dismiss the elected government. In the economic sphere, his government has embarked on an ambitious reform program intended to stabilize the economy. These are positive developments, but we need to encourage Pakistan to go even further. Our own Secretary of State has met with the Pakistani Foreign Minister to discuss options for more extensive reforms.

It is in the United States' best interests to train Pakistani officials in how to conduct legislative procedure and build lasting democratic institutions. It is also in our best economic interests to resume OPIC support for investment in Pakistan. Prominent U.S. business leaders have expressed their support for such an initiative, and I believe this option can benefit U.S. industry. The United States will be in a prime position to support economic reform in Pakistan, as well as compete for investment and trade opportunities there. We cannot, and should not, penalize U.S. companies looking to expand into this area of the world.

Neither should we jeopardize our stated goal of promoting nuclear nonproliferation. We have worked to prevent the nuclear arms race in South Asia, and future cooperation with Pakistan is now at stake. Restoring IMET in Pakistan is perhaps the best means we have of ensuring that nonproliferation becomes a reality. The Pakistani military controls the country's nuclear programs, but an entire generation of military officers has been denied access to training in the United States. By prohibiting IMET, we have succeeded in reducing our contacts within the leadership and limiting their exposure to U.S. values and institutions. If we allow IMET to resume, we will strengthen our position on nonproliferation by encouraging a Pakistani military that is as pro-United States as possible. Improved relations with Pakistan can only help our future nonproliferation efforts.

Mr. President, I am pleased to be a co-sponsor of this amendment, and I look forward to a close relationship with Pakistan in the future.

Mr. MCCONNELL. I am not aware of any opposition to the amendment on our side.

Mr. LEAHY. None here.

We are ready to move forward, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 899) was agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid on the table.

The motion to lay on the table was agreed to.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 890

(Purpose: To state the sense of the Senate that most-favored-nation trade status for China should be revoked)

Mr. HUTCHINSON. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. HUTCHINSON] proposes an amendment numbered 890.

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

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

The amendment is as follows:

At the appropriate place in the bill insert the following:

''It is the sense of the Senate that the nondiscriminatory treatment extended to the People's Republic of China on May 29, 1997, pursuant to section 402(c) of the Trade Act of 1974 should be withdrawn.''

Mr. HUTCHINSON. Mr. President, I offer amendment No. 890 to the foreign operations appropriations bill. This amendment which is a sense of the Senate, would disapprove the MFN status, most-favored-nation status, to the nation of China. I have opposed the renewal of MFN to China. On June 3 of this year I became an original cosponsor of Senate Joint Resolution 31, the legislation disapproving the extension of MFN.

Unfortunately, because of the joint resolution of disapproval in the House, which failed to pass the House of Representatives on June 24, as in past years or at least recent years, the Senate has not considered and has not had the opportunity to weigh in on and to voice its concern about the conditions in China, and particularly to cast a vote on the MFN status for China.

Today we will have that opportunity with this sense of the Senate. It has been almost 4 years, Mr. President, since the United States formally delinked the issues of trade and human rights with regard to China. Four years ago when we delinked, when we embarked upon our policy of constructive engagement, the logic was that greater trade, greater economic expansion within China itself, would result in political freedom, greater political freedom, less repression, more opportunity for the people of China.

The fact is, by every measure, the record of the Chinese Government on human rights has worsened since the time that we embarked upon this policy delinking trade and human rights. Whether you look at the crackdown on people of faith within China, whether you look at the practice of forced abortions, forced sterilization of the mentally handicapped, the near extinction of the expression of any opinion that would be contrary to the established line of the Communist Government in Beijing, by any measure, conditions are worse, freedoms are less, oppression is greater than it was 4 years ago when we started this policy of constructive engagement.

In fact, according to the 1996 country report issued by our own State Department, the U.S. State Department said that the Chinese Communist leaders have succeeded in silencing every known political dissident. Mr. President, that is every dissident, every free voice, every voice of dissent, every contrary opinion to the party line has now been extinguished in Communist China either through exile, through death, or through imprisonment.

So, Mr. President, I feel very strongly that our current policy of continuing normal trade relations without regard to human rights conditions has been ineffective in stemming this very alarming trend in China by turning a blind eye to the atrocities or abdicating our responsibility as a great and a free nation.

As we have continued to extend China's MFN status, insufficient progress has been made in opening the vast Chinese market to the American companies. The argument has been free trade, increased economic expansion. While our imports from China have increased dramatically during the last 4 years, the amount of goods we export to China has grown at a much, much smaller rate.

Moreover, Mr. President, China utilizes a vast prison system manned with slave labor to produce many products which are exported to the West. It is unfair to ask American laborers, American workers, to compete with the slave labor of Communist China. I believe in free trade. This is not free trade that we have currently. Soldiers of the People's Liberation Army stand guard atop the towers of the slave labor camps, known as Laogai. The PLA controls, either directly or indirectly, a significant portion of the Chinese industry. In fact, according to our CIA, thousands of industries that we are trading with on a routine basis are controlled by the People's Liberation Army. That is not free trade. It is not fair trade. It is not right.

Mr. President, it is believed that many of these industries are involved in the proliferation of weapons of mass destruction, arms smuggling, economic espionage, use of forced labor, piracy of intellectual property, and misinformation of sensitive military technology.

Mr. President, I know some of my colleagues, perhaps many of my colleagues, feel that this amendment is something they would rather not vote on. This sense of the Senate is something they would rather not have to go on the record on. I think that we are dealing with foreign operations. Section 524 of this bill bars indirect assistance to many countries, including China. So it is relevant. It is germane. It is important that the U.S. Senate have an opportunity to voice our concerns. It is a sense of Senate. It is not binding. It is important we send that signal.

We may not be able this year—we cannot, obviously, because of the House action—we may not be able to deny MFN status, but we can send a signal, and we should.

To my colleagues I say there are people watching. The Chinese Government is watching what this Chamber does. The Chinese people are watching. We can send a message that we do not condone the practices, the oppressive totalitarian practices of this government. We can, at the same time, to the tens of thousands, yes, the tens of millions of Chinese who are facing that oppression today, we can say to them there are those in America who stand with them and who will support them in their fight for freedom.

I know, Mr. President, that there are many bills that have been introduced to deal with China, and I hope that we will deal with that. I hope we will take those bills, whether Senator BROWNBACK's, Senator ABRAHAM's, or whoever may have introduced legislation to address the China question, and we will put that into some kind of omnibus bill in future weeks to send an even stronger message. Until then, this is our opportunity. This is our chance to, once again, give a voice to American foreign policy. This is our opportunity to say to the world and to say to the Chinese Government, America still stands for something, that we do not have a foreign policy void of value, that those values we espouse, which are embodied in our founding documents and in our very Constitution, live on, today, in the policy that we advocate toward China.

I know there were many who breathed a sigh of relief in the U.S. Senate when MFN went down in the House of Representatives. There was a sense of ''we're off the hook.'' I say to all of those of my colleagues who have decried the conditions in China today, I say to all of my colleagues who in one form or another have said it is wrong what they are doing over there, to remember that while we may have been off the hook, there are tens of thousands of Chinese people in prison camps today who are still on the hook, this is our chance to give them the voice that their government has denied them.

I ask my colleagues to look deep within their soul, to look at their conscience, and I ask them to vote in favor of this sense-of-the-Senate resolution disapproving of most-favored-nation status for China.

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. MCCONNELL. Mr. President, let me say in response to the amendment of my colleague from Arkansas, I and a number of other Members of the Senate were in Hong Kong a couple of weeks ago. I raise Hong Kong—even though I know the sense-of-the-Senate amendment deals with China—I raise Hong Kong because I think Hong Kong is the best hope for China. Hong Kong is going to lead the way to a new China, and a new China is already developing, which is not to say that any of us are entirely happy about everything going on in the People's Republic of China, but a lot of good things are happening, particularly on the economic side. No one in Hong Kong, not even Martin Lee and all of the democratic reformers that many of us know, is in favor of terminating MFN for China. You cannot find anybody in Hong Kong who thinks terminating MFN for China is a way to promote a better, more democratic, more open China.

So with all due respect to my friend and colleague from Arkansas, I think we have worked our way through this MFN debate. The President of the United States, as we all know, in 1992, when he ran, thought that MFN for China ought to be linked to human rights and democracy evolving in China, and as soon as the election was over, he took a closer look at it and he changed his mind. I must say I give him credit for changing his mind because I don't think this will bring about the kind of positive reform in terms of human rights and democracy in China that we would all hope.

What is changing China—unquestionably what is changing China—is economic reform. So I hope we will not support the amendment of the Senator from Arkansas. I think it would be a step in the wrong direction. I know there are other colleagues who share my view.

I see Senator FEINSTEIN on her feet now. I yield the floor.

Mrs. FEINSTEIN. I thank the distinguished Senator from Kentucky, and I thank you, Mr. President, for this opportunity.

I didn't come to the floor prepared to speak on this amendment. I came to speak on a another amendment. Having said that, I must say I am sorry this sense-of-the-Senate amendment has been raised. I think it would be a big mistake to pass this sense of the Senate that would essentially say to the People's Republic of China, ''we are going to isolate you from the rest of the world.'' Make no mistake about it, that is what this amendment says.

Anyone that has had a look at China knows that, historically, China has never wanted to interrelate with the rest of the world. Those of us who were in Hong Kong for the handover heard many comments about the British occupation of Hong Kong as a kind of bounty from the opium wars where Britain forced on China the opium trade, and the whole British control of Hong Kong as a colony developed from that time.

Having said that, the question is, really, is anything productive solved by forcing China into a position of isolationism, strengthening the hard-liners in China, providing a setback to the development of the rule of law and, most importantly, providing a setback to the economic democracy that is now developing all throughout the eastern seaports of the People's Republic of China? My answer to that is no. My answer to that is it signals to China that, effectively, Senate policy at the very least would be to try to contain China, isolate China, and not allow China to be a normal trading party with the United States of America. Internationally, that signals catastrophe.

Now, what does it mean for the United States? For the United States, and as a Californian, in my State, with one-third of our economy now dependent on Asia—not necessarily on China, but Asia—it means a loss of jobs. For the rest of the United States, it means a loss of jobs. The Senator from Kentucky just alluded to what it would mean for Hong Kong. He alluded to the fact that we heard no democratic leader say MFN should be denied China. Exactly the opposite. We heard democratic leaders in Hong Kong saying to deny China MFN would negatively impact the people of Hong Kong.

They estimate it would take economic growth and cut it by half, from 5 percent to 2½ percent. They say that it would cost up to 86,000 jobs in Hong Kong, and that even a partial cancellation, even a 6-month extension, would create a kind of uncertainty that would disturb the market in Hong Kong.

I think it is misguided to think you can deny a nation as large as China, the largest nation in the world, normal trading relations—not special trading relations, nothing special about it, but normal trading relations—and do anything other than shoot ourselves in the foot, because a whole ripple effect would be felt throughout the United States. And the flip side in China would be the growing isolation, the hard-liners being able to say, ''I told you so.''

Right now in China it is widely speculated that the next premier will be a man whose name is Zhu Rongji. He was at one time the mayor of Shanghai. I know him. He also is the author of the marketplace economy for China. He supported Shanghai as the first independent economic zone, which really was the first of these dynamic economic zones, and then, second, he has supervised an amazing transformation of the marketplace.

Today, only 50 percent of the companies in China are wholly owned by the central government. It used to be 100 percent of the companies were owned by the central government; 25 percent of these are in private hands today. They are becoming more competitive, more efficient. Sure, it is difficult because the big employers of China are the centrally owned companies. So it takes time.

In direct response to the distinguished Senator's concern about human rights—because I share these concerns very, very much—I have been trying for 6 years now, almost twice a year, to get the Chinese Government just to sit down with the Dalai Lama, just to try to come to terms with him with respect to cultural and economic preservation of Tibetans within Tibet. So far, I have not been successful. I don't expect to stop trying.

But during the 6-year period, what I have noticed has been interesting within the rest of China. What I have noticed is a growth in the rule of law. What I have noticed is that the Chinese are now eager to modernize their commercial codes, their criminal codes. The next step needs to be an independent judiciary; by this, I mean independent from party control, a judiciary that is paid well, that is seen to be independent. Qiao Shi, head of the National People's Congress, proposed a limitation of administrative detention today in China—picking up an individual, and holding them in custody cannot be done for more than 30 days. That is a step forward.

China has lived for 5,000 years under the rule of man; the rule of law is going to take some time. I commend the distinguished Senator for his commitment to this issue. If he had visited China in the late sixties or the early seventies, when Richard Nixon went to China and negotiated the Shanghai communique in 1972, it was a very much more constricted China. No one would have talked to the distinguished Senator. Everybody dressed alike. Everybody marched to the sound of the same drummer. The red books of the Cultural Revolution were still evident on the streets. The music still blared every morning. The controls were evident.

It is a very different China today. None of that is true today. People will talk. They will say what they think. There is a freer lifestyle. There is an improved standard of living. I believe that if you have an economic democracy, a social democracy will follow one day, just as sure as the sun comes up every morning, because the more people see the economic marketplace, the freedom that trade gives them, the increased educational levels, the benefit it produces, they then enter into the dialog and they learn about other cultures.

So I believe that from the days of the 1960's, of the Cultural Revolution and its aftermath, really lasting up to 1979, 1980, in the ensuing 17 years after 1980, there have been major changes within China. What we need to do is engage China, send working teams over on a regular basis, sit down with Chinese leaders, enable them to understand how our Government works and what our concerns are and what our national interests are and, I think, bring China into the mainstream of world leadership, not isolate it. Nothing sends a message of isolationism and containment for China more strongly than denying normal trading relations.

Mr. President, I believe this amendment should be defeated. It will not bring about a positive result for the ends that both the distinguished Senator and I would like to see.

I thank the Chair and yield the floor.

Mr. HUTCHINSON. Mr. President, I will briefly respond to my distinguished colleagues from Kentucky and California. I feel compelled, as I listen to the arguments that have been raised over and over again, and particularly the phrase that ''it is a different China today.''

Well, it is not my opinion that I am citing today. It is our own State Department's 1996 country report on the conditions in China. So I remind my colleagues on the floor right now that our State Department, in looking at China, said, yes, it is a different China;

the difference is that 8 years after the Tiananmen Square massacre, after those brave students stood in front of those tanks, there is not one remaining independent free voice in China today. That is our State Department. Every dissident has either been killed or imprisoned or exiled. There are none of those independent voices. That is the China that exists today. That is what our State Department has said.

Now, the State Department had a new report they were going to issue. It was supposed to have been out months ago. It was delayed. It was supposed to have been out in June, and it has been further delayed until after the MFN votes were over. I wish the administration had ordered that latest State Department report to be issued so that the Members of the Senate could see what the latest evaluation of the conditions in China really are. The latest we have, in the 1996 country report, is that there are no free voices in China today.

Now, they say we will isolate China. The same ones who say we are going to isolate China will say we can't deny MFN because they will send all of those goods to Europe, they will find markets for their products in Europe. Let me assure my colleagues, you will not isolate one-fifth of the world's population. And it is a self-contradictory argument to say we dare not isolate them or we will deny our American citizens these goods.

Now, my dear colleague and distinguished friend from Kentucky said Mr. Clinton had changed his mind when he got elected. Indeed, he did. He commended him for his change of mind. Well, I criticize him for his change of mind. I think he was right when he was a candidate. He then said that it was intolerable that we, as a people of conviction and values, should stand by and close our eyes to what is going on in China. So I regret that he made that change, as he has made changes in many other policies.

Well, then they say, ''It just takes time, just give them time,'' and if we will give them time, my colleagues say, we will see political freedom, an increase in their economic opportunities and, as sure as day follows night, political freedom will come. Mr. President, I have been waiting for 4 years. I have been waiting for 4 years for one scintilla of evidence to support that notion. If I could have found just the slightest indication that things were getting better in China, I would have voted for MFN to encourage those positive changes. But by every measure, it has gotten worse, and every objective observer, from Amnesty International, to Family Research Council, to our own State Department, has said it's worse.

So how can we continue to say, well, business as usual, and if we keep on giving them time, it will get better, when, so far, every time they have thumbed their nose at what we have done. Then we hear that no one calls for it if you go to Hong Kong. I don't know about that, but I do know that if you were in mainland China today, you could not call for it because, if you dared, you would be imprisoned and you would risk your very life and the lives of your loved ones. There are no dissidents left.

So to my colleagues I say, the vote on this amendment is very simple: to embrace the policy of profits and appeasement, or to embrace the policy of principle and principled challenge to those who would abuse and persecute and execute their own citizens.

Mr. President, I yield the floor.

Mrs. MURRAY. Mr. President, I rise to discuss the amendment introduced by the Senator from Arkansas regarding MFN status for China. This issue is of immense importance to Washington State and the Nation.

As a member of the Foreign Operations Subcommittee, I must state for the record that I believe that this is not the appropriate forum for this amendment. The Senator from Arkansas has chosen to spring upon the Senate—with little notice—his amendment to fundamentally alter our relationship with the world's most populous nation.

I am sure the Senator knows that the House of Representatives recently followed the process established by the Jackson-Vanik amendment to overturn the President's decision to renew most-favored nation status for the People's Republic of China. The House of Representatives in strong bipartisan fashion rejected the effort to overturn the President of the United States. I applaud the House for taking this action. The House vote in favor of MFN followed extensive hearings, much thoughtful debate, and considerable input from our constituents, the business community, and the Clinton administration.

While this is not a new issue to many in the Senate, the Senator from Arkansas now asks the U.S. Senate go on record on this important strategic issue on the wrong bill without the benefits of adequate debate and thorough consideration. I don't believe this is the way to make good policy, and particularly on the United States-China relationship which is perhaps the most important, most difficult and most challenging relationship for United States policy makers to manage.

I applaud Senator HUTCHISON's interest in the United States-China relationship. In fact, I share many of the concerns that he in his arguments has outlined. But I differ in his prescription for addressing the problems in the United States-China relationship. I don't believe ending MFN or normal trade ties with China will advance United States interests. Rather, I believe the approach prescribed by opponents of MFN would for all intensive purposes end our relationship with China. For my State, this would be disastrous.

Chinese students—some of whom will become future government leaders in China—will likely discontinue their studies at universities in this country including at the Henry Jackson School of International Affairs at the University of Washington.

As many as 400 Washington State families might lose the ability to adopt a young Chinese girl in the coming year as a result of this amendment.

The Reverend Ned Graham and his East Gates Mininstries based in Sumner, WA, could see its mission in China curtailed or possibly ended altogether. East Gates Ministries has distributed nearly 2 million Bibles printed in Chinese dialects throughout China. Other Washington State faith-based ministries are active in China and could see their activities halted if the Senate agrees to this amendment.

I recently traveled to Hong Kong and China to discuss candidly the issues like MFN, the World Trade Organization, Hong Kong's reversion to Chinese sovereignty, the trade imbalance between the United States and China, my personal concerns on human rights, and numerous other issues.

In Hong Kong, I met with officials from the U.S. Consulate, the American Chamber of Commerce, the Hong Kong Government, and others. On the street and in official meetings, I sought to determine the mood of the people of the former British Colony prior to the reversion to Chinese sovereignty. Again and again, I was encouraged to convey to the Congress the importance of MFN to Hong Kong. Virtually every leader from Hong Kong has communicated to Congress the devastating impact that MFN revocation would have on the island recently named the freest economy in the world.

In my view, it is important for all who want to influence change in China to recognize that Hong Kong's transition may be our best opportunity to further influence the mainland in such important areas as the rule of law, respect for individual rights, and the many democratic principles that we cherish in the United States.

In Beijing, I met with China's Vice Premier, Chinese Trade Ministry officials, and Chinese leaders involved in financial services, transportation, agriculture, electronics, and aviation. I also spent a significant amount of time with U.S. Ambassador Jim Sasser, our former Senate colleague. Ambassador Sasser, who was a China critic as a member of this body, now adamantly supports the renewal of MFN status for China.

In my meeting with Vice Premier Li Lanqing, I focused on the trade imbalance between the United States and China, my concerns and those of my constituents on human rights, and the importance of China abiding by its commitments to Hong Kong.

I also discussed the Chinese counterparts many other issues important to us, including the growth of the Internet in China, the competitive advantage of Washington State's ports and transportation infrastructure, the

future energy needs of China, food security issues, including China's ability to feed its own people, problems associated with large, unproductive state-owned enterprises and growth patterns in coastal and rural parts of China.

My point in discussing my trip to China tonight is quite simple: If the Senate adopts the Hutchinson amendment, it will have disastrous consequences on the United States-China relationship. I believe it will threaten our very ability to dialog with the Chinese on all of the issues I have just outlined.

If the opponents of MFN truly believe the Senate must go on record on this issue, so be it. Let's do it in a responsible fashion with the proper consideration that an issue of this importance merits.

I strongly encourage my colleagues to vote against the Hutchinson amendment. I believe it is unwise and irresponsible for the Senate to address this issue in this fashion.

Mr. DODD. Mr. President, pursuant to a request by the distinguished Senator from Kentucky, the chairman of the committee and manager of the bill, I ask unanimous consent that the amendment by the distinguished Senator from Arkansas be temporarily laid aside.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 900

(Purpose: To suspend temporarily the certification procedures under section 490(b) of the Foreign Assistance Act of 1961 in order to foster greater multilateral cooperation in international counternarcotics programs.)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. MCCAIN, Mr. DASCHLE, Mr. LUGAR, Mr. DOMENICI, Mr. KERREY, Mrs. HUTCHISON, Mr. COCHRAN, Mr. HAGEL, Mr. WARNER, and Mr. INOUYE, proposes an amendment numbered 900.

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

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

The amendment is as follows:

On page 102, between lines 9 and 10, insert the following:

TEMPORARY SUSPENSION OF DRUG CERTIFICATION PROCEDURES

SEC. 575. (a) FINDINGS.—Congress makes the following findings:

(1) The international drug trade poses a direct threat to the United States and to international efforts to promote democracy, economic stability, human rights, and the rule of law.

(2) The United States has a vital national interest in combating the financial and other resources of the multinational drug cartels, which resources threaten the integrity of political and financial institutions both in the United States and abroad.

(3) Approximately 12,800,000 Americans use illegal drugs, including 1,500,000 cocaine users, 600,000 heroin addicts, and 9,800,000 marijuana users.

(4) Illegal drug use occurs among members of every ethnic and socioeconomic group in the United States.

(5) Drug-related illness, death, and crime cost the United States approximately $67,000,000,000 in 1996, including costs for lost productivity, premature death, and incarceration.

(6) Worldwide drug trafficking generates revenues estimated at $400,000,000,000 annually.

(7) The United States has spent more than $25,000,000,000 for drug interdiction and source country counternarcotics programs since 1981, and despite impressive seizures at the border, on the high seas, and in other countries, illegal drugs from foreign sources are cheaper and more readily available in the United States today than 20 years ago.

(8) The 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances form the legal framework for international drug control cooperation.

(9) The United Nations International Drug Control Program, the International Narcotics Control Board, and the Organization of American States can play important roles in facilitating the development and implementation of more effective multilateral programs to combat both domestic and international drug trafficking and consumption.

(10) The annual certification process required by section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), which has been in effect since 1986, has failed to foster bilateral or multilateral cooperation with United States counternarcotics programs because its provisions are vague and inconsistently applied and fail to acknowledge that United States narcotics programs have not been fully effective in combating consumption or trafficking in illegal drugs, and related crimes, in the United States.

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

(1) existing United States domestic and international counternarcotics program have not reduced the supply of illegal drugs or significantly reduced domestic consumption of such drugs;

(2) the President should appoint a high level task force of foreign policy experts, law enforcement officials, and drug specialists to develop a comprehensive program for addressing domestic and international drug trafficking and drug consumption and related crimes, with particular attention to fashioning a multilateral framework for improving international cooperation in combating illegal drug trafficking, and should designate the Director of the Office of National Drug Policy to chair the task force;

(3) the President should call upon the heads of state of major illicit drug producing countries, major drug transit countries, and major money laundering countries to establish similar high level task forces to work in coordination with the United States; and

(4) not later than one year after the date of enactment of this Act, the President should call for the convening of an international summit of all interested governments to be hosted by the Organization of American States or another international organization mutually agreed to by the parties, for the purpose of reviewing the findings and recommendations of the task forces referred to in paragraphs (1) and (2) and adopting a counternarcotics plan of action for each country.

(c) SUSPENSION OF DRUG CERTIFICATION PROCESS.—(1) Section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), relating to annual certification procedures for assistance for certain drug-producing and drug-transit countries, shall not apply in 1998 and 1999.

(2) The President may waive the applicability of that section in 2000 if the President determines that the waiver would facilitate the enhancement of United States international narcotics control programs.

Mr. DODD. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 901 TO AMENDMENT NO. 900

(Purpose: To perfect the pending amendment)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 901 to Amendment No. 900.

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

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

The amendment is as follows:

Strike all after the first word in the pending amendment and add in lieu thereof the following:

SEC. . SUSPENSION OF DRUG CERTIFICATION PROCEDURES.

SEC. 575. (a) FINDINGS.—Congress makes the following findings:

(1) The international drug trade poses a direct threat to the United States and to international efforts to promote democracy, economic stability, human rights, and the rule of law.

(2) The United States has a vital national interest in combating the financial and other resources of the multinational drug cartels, which resources threaten the integrity of political and financial institutions both in the United States and abroad.

(3) Approximately 12,800,000 Americans use illegal drugs, including 1,500,000 cocaine users, 600,000 heroin addicts, and 9,800,000 marijuana users.

(4) Illegal drug use occurs among members of every ethnic and socioeconomic group in the United States.

(5) Drug-related illness, death, and crime cost the United States approximately $67,000,000,000 in 1996, including costs for lost productivity, premature death, and incarceration.

(6) Worldwide drug trafficking generates revenues estimated at $400,000,000,000 annually.

(7) The United States has spent more than $25,000,000,000 for drug interdiction and source country counternarcotics programs since 1981, and despite impressive seizures at the border, on the high seas, and in other countries, illegal drugs from foreign sources are cheaper and more readily available in the United States today than 20 years ago.

(8) The 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances form the legal framework for international drug control cooperation.

(9) The United Nations International Drug Control Program, the International Narcotics Control Board, and the Organization of American States can play important roles in facilitating the development and implementation of more effective multilateral programs to combat both domestic and international drug trafficking and consumption.

(10) The annual certification process required by section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), which has been in effect since 1986, has failed to foster bilateral or multilateral cooperation with United States counternarcotics programs because its provisions are vague and inconsistently applied and fail to acknowledge that United States narcotics programs have not been fully effective in combating consumption or trafficking in illegal drugs, and related crimes, in the United States.

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

(1) existing United States domestic and international counternarcotics program have not reduced the supply of illegal drugs or significantly reduced domestic consumption of such drugs;

(2) the President should appoint a high level task force of foreign policy experts, law enforcement officials, and drug specialists to develop a comprehensive program for addressing domestic and international drug trafficking and drug consumption and related crimes, with particular attention to fashioning a multilateral framework for improving international cooperation in combating illegal drug trafficking, and should designate the Director of the Office of National Drug Policy to chair the task force;

(3) the President should call upon the heads of state of major illicit drug producing countries, major drug transit countries, and major money laundering countries to establish similar high level task forces to work in coordination with the United States; and

(4) not later than one year after the date of enactment of this Act, the President should call for the convening of an international summit of all interested governments to be hosted by the Organization of American States or another international organization mutually agreed to by the parties, for the purpose of reviewing the findings and recommendations of the task forces referred to in paragraphs (1) and (2) and adopting a counternarcotics plan of action for each country.

(c) SUSPENSION OF DRUG CERTIFICATION PROCESS.—(1) Section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), relating to annual certification procedures for assistance for certain drug-producing and drug-transit countries, shall not apply in 1998 and 1999.

(2) The President may waive the applicability of that section in 2000 if the President determines prior to Dec. 31, 1999 that the waiver would facilitate the enhancement of United States international narcotics control programs.

Mr. DODD. Mr. President, I offered the second-degree amendment and it doesn't substantially change the original amendment, but it is so that we can have an up-or-down vote on the substance of the amendment I offered on behalf of myself, my colleague from Arizona, Senator MCCAIN, Senator DASCHLE, Senator LUGAR, Senator DOMENICI, Senator COCHRAN, Senator KERREY of Nebraska, Senator HUTCHISON, Senator HAGEL, Senator WARNER, and Senator INOUYE.

Mr. President, we believe that the approach contained in this amendment will lead to a far more cooperative and effective effort to meet the international threat posed by the international drug trafficking that is occurring in our country and elsewhere around the globe.

The pending amendment calls upon the President of the United States to establish a high-level interdisciplinary task force, under the direction of General Barry McCaffrey, Director of the Office of National Drug Control Policy, to develop a comprehensive strategy for dealing with the supply and demand side of the drug problem.

This amendment also urges the President of the United States to encourage other drug-producing, and transit countries to undertake similar efforts. Within a year's time, it calls for an international summit to be held, at which time the efforts of all of the parties would be merged into a multilateral battle plan to engage the illegal drug trade on every front.

In order to create the kind of international cooperation and mutual respect that must be present if this effort is to produce the results all of us desire, our amendment would also temporarily suspend, for 2 years, the annual drug certification procedure while efforts are ongoing to develop and implement a new strategy. It does not repeal the certification process, but suspends it for 2 years in order to try this new dynamic. Barry McCaffrey, Director of the Office of National Drug Control Policy, supports this amendment, as does the administration.

As you know, the issue of how best to construct and implement an effective counternarcotics policy has been the subject of much debate in this Chamber and, I add, much disagreement over the years. Our intention in offering this amendment today is to try and see if there isn't some way to end what has become a stale annual event, an event that has not brought us one step closer to mounting a credible effort to eliminate or even contain the international drug Mafia.

We all can agree that drugs are a huge problem and a growing problem. Illegal drugs aren't some theoretical abstraction that only concerns Members of Congress. Most American families know —many firsthand, unfortunately—the dangers inherent in the drug trade. They worry about their children, their schools, their streets, and their communities. They know only too well the impact that unfettered drug gangs can have on them, their families, and the towns in which they live.

We can all agree here, Mr. President, that there is an important international component to the drug menace. Drug kingpins have no respect for international borders. They ply their trade clandestinely wherever the opportunities may arise. The international drug trade poses a direct threat, I argue, to the United States as a government here at home, and to international efforts to promote democracy, economic stability, human rights, and the rule of law throughout the globe; but most especially, I think, here in our own hemisphere.

Mr. President, I have concerns about the international implications of the drug trade. Of even greater concern to me personally are the effects it is having here in the United States. Today, approximately 12.8 million Americans use illegal drugs, including 1.5 million cocaine users, 600,000 heroin addicts, and 9.8 million people who have used marijuana.

This menace isn't just confined to our inner cities or the poor. Illegal drug use occurs among members of every ethnic and socioeconomic group in this country. The human and economic costs are enormous and staggering. Drug-related illness, death, and crime cost our Government and the taxpayers of this Nation approximately $67 billion in 1996, including costs for lost productivity, premature death, and incarceration.

The drug trade is an enormously lucrative business. Drug trafficking generates estimated revenues of $400 billion annually. Although often left unstated, it is United States' demands for these illegal drugs which has been a driving force making drug trafficking the incredibly lucrative enterprise it has become. The principal focus of the U.S. international counternarcotics efforts has been to endeavor to go to the source, to penetrate the narcotrafficking organizations that control the production and distribution of drugs, and to dismantle them. An important component of that international effort since 1986 has also included as its centerpiece the so called ''annual certification process.''

Mr. President, I commend those who authored the certification process. Their intent, as is the intent of us who offer this amendment, is the same; that is, to try and figure out a way to slow down this traffic that pours into our country. Mr. President, I respectfully suggest that, after 10 years, the certification process has not helped. Therefore, we are trying, through this amendment, a new process by which we might, hopefully, change the dynamic and reverse the present trends that continue upward. The United States has spent more than $25 billion since 1981 for foreign interdictions and source country counternarcotics projects, and has been issuing an annual certification report card since 1986.

Yet, despite these efforts, seizures at the borders, from the high seas, and other countries, foreign drugs are cheaper and more readily available in the United States today than they were two decades ago. Drugs have continued to flood our neighborhoods and wreak havoc on our families and our communities. I believe, as do my cosponsors of this amendment, that it is time to be honest and to admit that our international drug strategy isn't working, and that means the entire certification process.

Let's look at what some leading editorial pages have recently said about certification; what the Nation's editorial pages say about drug ''certification.''

The Washington Post:

Congress put the United States into the business of grading other nations on their

performance in the war against drugs, and punishing those found to fall short, back in 1986. ''Certification'' then seemed an idea worth testing. It has now been tested. It's a flop.

The Miami Herald, I quote:

Not surprisingly, both certified allies and decertified pariah states have taken umbrage at this unilateral finger-pointing by the world's largest consumer of illegal narcotics * * * With certification on hold, the administration should have time to craft a better policy.

San Francisco Chronicle:

Often obscured in the complexities of international relations is the utter hypocrisy of the certification process, in which the United States—the world's leading consumer of illegal drugs—passes judgment on countries that do not live up to our lofty standards of narcotics control * * * If the United States, with all its power and riches, cannot control or even diminish the demand for drugs within its own borders, it is absurd to demand that much poorer nations save us from ourselves * * * Congress should rethink the world certification process and deal with international problems on a country-by-country basis as the need arises * * *

The Christian Science Monitor:

The U.S. and Mexico have every reason to be close partners and friends—able to offer warranted criticism. The yearly drug certification process is a very awkward, lopsided way of delivering it.

Newsday:

The real issue now is whether the rationale for certification has become so specious that the process has become irrelevant. At the very least, the entire drug-certification process needs to be reviewed.

The Boston Globe:

Certification is hypocritical and ineffective as a tool against drugs. It should be abandoned * * * Certification is largely blind to the contribution Americans themselves have made to an international problem. Frustrations over how to deal with that problem are not justification for pursuing poor policies—and certification is doing more harm than good.

Last, the New York Times:

The politicization of the debate is only one example of what is wrong with the whole certification process. It began in 1986 as a way to pressure supplier countries to fight drugs. It has not been successful and should be abolished * * * Latin Americans' resentment of the certification process makes it counterproductive * * * The process does not capture the ambiguities of cooperation * * * Certification is ultimately dangerous because it contributes to the myth that America's drug problem can best be fought overseas * * * Instead of international certification, Washington should examine how well its policies at home combat drugs.

Mr. President, I ask unanimous consent that the full text of these editorials be printed in the RECORD.

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

[From the Chicago Tribune, June 16, 1997]

RETHINKING DRUG CERTIFICATION

The United States' annual rating of other countries' sincerity and success in fighting the drug war has become a case of good intentions gone awry. The tit-for-tat sanctions of this blunt policy tool oversimplify complex issues and fail to weigh policy nuances or competing national interests.

Legislation introduced last week by Sens. Christopher Dodd (D–Conn.) and John McCain (R–Arizona), and slated for a vote in the Senate later this week, would suspend the certification process for two years to allow the development of more workable alternatives. It ought to be approved.

Last February's go-around over Mexico's certification demonstrated just how problematic the process has become.

Mexico, which was in the middle of an epic drug-related scandal, was certified. But Colombia, which had lost many more lives and scored significant victories fighting the drug cartels, was decertified.

It would have been absurd indeed for the U.S. to decertify and impose economic sanctions on Mexico, with which we had signed a free-trade agreement just three years before and which was recovering—thanks to a multibillion-dollar U.S. loan guarantee—from a deep economic crisis.

President Clinton, quite properly, gave greater weight to these economic realities and the totality of our relationship with Mexico than to the certification law's demand for sanctions. But not before relations between the two countries reached the lowest point in recent memory. And the way Mexican certification was rationalized fed popular cynicism in this country about the seriousness of the certification exercise.

Sadly, the bottom line on the usefulness of the certification strategy is that drugs today are far cheaper and more easily available in the U.S. than when Congress created the process 11 years ago.

There shouldn't be any doubt that fighting drugs must remain a top foreign and domestic policy priority and that an annual review properly focuses national attention on it.

But as the Dodd-McCain initiative suggests, the effort should be a more comprehensive and flexible exercise that, for instance, considers both foreign supply and domestic demand. A new approach also should emphasize multilateral, cooperative strategies as a strategy of first resort.

When that doesn't work, economic sanctions, diplomatic pressure, law-enforcement measures, economic aid and other measures should all be at the disposal of the president to ensure cooperation. The war on drugs is a long, arduous campaign that is more likely to be won through ingenuity and tenacity than annual grandstanding and empty threats.

[From Newsday, July 16, 1997]

FIND BETTER WAYS TO STEM THE FLOW OF ILLICIT DRUGS

An eminently sensible bill in Congress would begin to do away with the ineffective practice of certifying other nations' efforts to control production and shipment of illegal drugs and punishing those that don't meet U.S. standards. A two-year moratorium on certification is included in legislation, introduced by Sens. Christopher Dodd (D-Conn.) and John McCain (R-Ariz.), which calls for a presidential commission to come up with a coordinated strategy for drug control in consultation with other countries.

The drug-certification law was enacted in 1986 by a Congress intent on showing it could do something about drugs, but it has proved to have little impact. Worse, it has backfired more than once in the conduct of U.S. foreign policy. In practice, it has been applied with bald-faced hypocrisy: How else to explain the decertification last year of Colombia, which has done its best to cooperate, and the recertification of Mexico, whose government is riddled with narco-corruption? Simple: Mexico is economically and politically important to Washington; Colombia is not.

But there is a deeper hypocrisy in condemning other nations' efforts to stem drug supplies when the United States' own government has had so little success in suppressing domestic demand for drugs. Until America can address the demand problem more credibly than it has, it would be wise for Washington to cooperate with other nations affected by drug trafficking in devising new strategies, rather than browbeating them with meaningless report cards.

[From the Christian Science Monitor, June 16, 1997]

A GOOD STEP ON DRUGS

Since drug trafficking is an international problem, international cooperation to combat it has always made sense. But Washington's approach to such cooperation has for the last decade included a tool for bludgeoning others into antidrug partnership—the decertification process, by which other nations face economic sanctions by the US if they are deemed noncooperative. The result in the most important arena, Latin America, has been recurrent friction rather than tighter cooperation.

This year's certification of Mexico and decertification of Colombia made it more obvious than ever that this particular antinarcotics tool should be junked. Politics and US economic interests, rather than objective consideration of the antidrug records of both countries, dictated the final decision.

A new bill sponsored by Sen. Christopher Dodd (D) of Connecticut and Sen. John McCain (R) of Arizona would suspend the decertification process for the next two years. It also urges the formation of a high-level task force under the direction of the government's chief drug-control official, Barry McCaffrey, to reassess policy responses to both the supply and demand sides of the narcotics problem. The president would encourage other countries to form similar task forces, and in two years an international summit would be held to forge a joint antidrug strategy.

Some may argue that this sounds like a megastudy of a problem that has already been studied to death. But the plan has three elements that strongly recommend it:

For at least two years, and maybe more, it gets rid of the divisive, counterproductive decertification club.

Inherent in it is a closer examination of the demand problem within the US, and the possibility of productively shifting resources to such needs as drug treatment. This aids cooperation as well, since Latin Americans have long charged that the US underplays its demand problem.

It holds out the possibility of an international antidrug partnership based on shared interests and ideas, rather than one forced together by US threats.

The Dodd-McCain bill should be promptly enacted.

[From the Washington Post, July 14, 1997]

DRUGS: INTERDICTING THE FLOW . . .

Congress put the United States into the business of grading other nations on their performance in the war against drugs, and punishing those found to fall short, back in 1986. ''Certification'' then seemed an idea worth testing. It now has been tested. It's a flop. By provoking local nationalism, this sort of unilateral American intervention has, in Mexico, Colombia and elsewhere, strained the anti-drug cooperation it was meant to strengthen. It has centered the American fight against drugs more on foreign supply than on consumption at home—an emphasis that, for all the successful drug seizures, has seen the international drug flow pick up over the years and force prices on the American street steadily down.

Now comes a move in Congress to look at certification with a beady eye. Sens. Christopher Dodd and John McCain are leading a bipartisan, ideologically neutral effort that draws reasonable and necessary conclusions from the experience of the past decade. They would suspend for two years the process of unilateral American certification and enlist the drug-producing and transit countries to join the United States in an international program to contend with both trafficking and consumption. In a word that Americans will have to get used to in dealing with these ''global'' issues, the United States would ''multilateralize'' the war against drugs. Cooperation would become the key.

International problems exist for which one-sided applications of American power—in this instance control of international credit—are a remedy. Drugs is not one of them. While other countries are the principal source of the supply, the United States is the dominant source of the demand. It is laughable to pretend that just one side of this equation can and need be dealt with. Then, a concentration on foreign supply ignores that Americans have done no better cleaning up trafficking networks in this country than others, including Latins, have done with the networks abroad. The certification policy, imperiously penalizing foreigners not just for their lapses but for the United States' own, ignores this evident fact.

Mexico provides a particular reason to review American drug policy. Its corruption is unquestionably responsible for some part of the flow of illegal drugs. But Mexico is also a country now making an immense effort to undo the political distortions that lie behind much of the corruption. By looking for cooperative ways on drugs, the United States tackles a hemispheric menace and encourages Mexican democracy at the same time.

[From the Miami Herald, July 7, 1997]

NOW, THAT'S A RESOLUTION

Sometimes, even if rarely, legislation makes such eminent good sense that you wonder why it wasn't proposed sooner. On point is a U.S. Senate resolution with a most reasonable response to the scourge of illicit drugs. The resolution not only suggests that the United States attack domestic demand as well as supply, but that it work with other nations to draft a cooperative ''battle plan'' to defeat the illegal-drugs trade on every front.

This commendable proposal was introduced the other day by Sens. Christopher Dodd, D-Conn., and John McCain, R-Ariz. The only shame was that, coming in the midst of furious budget wrangling and just before the Fourth of July holiday there was no time for its discussion and passage.

The resolution would suspend for two years the cumbersome certification process that Congress foisted on the president in the first place. By law the White House is required each year to pass judgment on the drug-curbing efforts of nations that serve as major narcotics producers or transit points. Countries that do not pass muster are decertified, obliging the United States to cut certain aid and oppose international loans. Other, more-drastic sanctions also are authorized.

Not surprisingly, both certified allies and decertified pariah states have taken umbrage at this unilateral finger-pointing by the world's largest consumer of illegal narcotics. What right has the pot to call the kettle black? The whole certification sham even blew up on itself in March after President Clinton decertified Colombia, which had recently stepped up anti-narcotics efforts, while certifying Mexico, through which are thought to come as much as 80 percent of the illegal drugs entering the United States. This after Mexico's chief anti-drug official was arrested for allegedly aiding the head of his country's biggest, most ruthless drug cartel.

With certification on hold, the administration should have time to craft a better policy. The bipartisan resolution encourages the president to foster international anti-drug cooperation, culminating in a summit where strategies could be mutually agreed upon. That global approach, it suggests, would work in sync with a comprehensive domestic plan, addressing both supply and demand problems, developed by Gen. Barry McCaffrey, director of the Office of National Drug Control Policy, and other experts.

''We need to reach out to other governments who share our concerns about the threat that drugs pose to the very fabric of their societies and our own. It is arrogant to assume we are the only nation that cares about such matters,'' said Sen. Dodd. ''Together, working collectively, we can defeat the traffickers. But if we expend our energies playing the blame game, we are certainly not going effectively to address this threat.''

Well said, Senator, and well proposed.

Mr. DODD. Mr. President, let me just emphasize, if I can, that I don't necessarily agree with all of the conclusions in these editorials. Some have suggested repeal. There is a part of me that finds that appealing. But I am not sure what we are going to offer over the next 2 years is necessarily going to work either. I don't have any absolute certainty of guarantees that what we offer as an alternative will work. But I think all of us can agree that suspension for a couple of years, as General McCaffrey has suggested, to try the cover the dynamic here is worth the effort and worth a try.

This doesn't mean you are less strong or less outraged or less concerned about what is happening to narcotics trafficking. Quite the contrary. I think those who support this recognize that we are trying to get a better handle on this to see if we can't have better answers because the current process is not working. We need a better idea. Hopefully people of good intention, good will, and putting their shoulders to the wheel in this country and elsewhere can come up with some better ideas over the next 2 years and really begin to make some headway in this effort.

Mr. President, I urge the adoption of this amendment.

Mr. MCCAIN. Mr. President, will the Senator yield for a question?

Mr. DODD. I gladly yield to my colleague from Arizona.

Mr. MCCAIN. Does the Senator from Connecticut believe that in the past 5 years that we have been winning the war on drugs? Does it indicate to him that perhaps the price of drugs in the streets of Hartford, CT, and Phoenix, AZ, is lower than it was 5 years ago? Has the Senator from Connecticut seen any meaningful gain in the war on drugs as a result of this recertification policy?

I have several other questions that I would like to ask.

Mr. DODD. Mr. President, in response to my colleague's questions, I would say, First, the price of drugs is lower today, the lowest they have been in two decades. We just came from a hearing chaired by our colleague from Georgia, which my colleague from Massachusetts, who is on the floor, attended. We heard at that hearing that the problem is getting worse—not better. In the countries that we have decertified, I say to my colleague from Arizona, over the last couple of years the problem gets worse—not better. We are getting less cooperation in many places. There is a sense of antagonism about how we approach this issue.

So while I applaud the intentions of those who authored this process—and I understand the rationale for it back in 1986—from time to time I think we have to step back and ask ourselves blunt questions as to what we have tried to do, no matter how well intended. Is it working? If it is not, and if the problem is getting worse, then I would say to my colleague from Arizona, in response to his question, that maybe we ought to think anew. That is what this amendment does, without repealing the certification process but merely suspending it for a couple of years to see if we can't come up with a better idea.

Mr. MCCAIN. If the Senator from Connecticut will yield for a further question, isn't there an enormous inconsistency, and, in fact, a lack of credibility in this decertification process when we are faced with a situation where the President of the United States in the one case of Colombia decertifies Colombia as not being cooperative in the war on drugs—which is a country, as we all know, with incredible chaos and an anarchy that exists in that country—and at the same time certificates Mexico largely on the grounds not that you could make the argument that Mexico has been cooperative in the case of drugs, but there are certain economic interests and other interests that we have in Mexico which almost compel the President of the United States to not decertify Mexico under the same criteria that basically the President used to decertify Colombia, thereby revealing a significant flaw in this entire process and revealing a lack of credibility as far as adherence to the criteria that was supposed to be set up under the conditions for certification or decertification?

Mr. DODD. In response to my colleague's questions, I would agree with him. That is one of the problems with this. It is so uneven in its application, and as such one might argue that the effectiveness of it is thereby debilitating—that, if we are going to certify some, and waive others where the problem arguably is the same, although one might make a case that there are various efforts in certain countries, I think you end up with the kind of situation we are in today where the desire for cooperation and the efforts of cooperation have been severely curtailed as a result of it.

So even if you are trying to send a message here, it gets lost in the process. I note in the case of Colombia—

which is certainly a major source country problem without any question whatsoever—but I pointed out, as I know my colleague from Arizona has from time to time, that this has paralyzed the country of Colombia. Many may recall that a number of years ago the entire supreme court of that country was assassinated. One attorney general after the other, the chief prosecutor, all of these people have been assassinated. Presidential candidates get assassinated. One might argue that they are paying an awful price in that nation.

If we decertify, we lose any kind of cooperation in terms of what we ought to be trying to seek there. In the case of Mexico, as my colleague has pointed out—he certainly knows Mexico as well as any Member of this body—there are serious problems there and well documented. Yet, both of us are aware of the fact that there are serious economic implications. So we send a signal of waiving and apply a different standard, and that message is not just heard in both Colombia and Mexico, it resonates throughout this hemisphere. Again, my colleague from Arizona spends a great deal of time on hemispheric issues. He has heard what I have heard over and over again; this is not helping at all. There are other countries involved. We have laundering, transit countries, other countries producing, and, frankly, this effort of cooperation is just collapsing in our midst.

So this has not worked.

Mr. MCCAIN. If the Senator will yield for a further question which his response led to, isn't it true that there was a question that the administration had asked itself in this process: What would be the effect in Mexico of a decertification of Mexico, a country that is uncertain if not fragile and in transition to democracy? There is always a certain latent anti-Americanism in Mexico. I will not waste the time of the Senate or my knowledgeable friend's time in depicting the causes for that. And one of the greatest challenges that we face, I ask my friend from Connecticut, is getting the cooperation of the Mexicans. And, yet, isn't it also true that General McCaffrey would testify that despite all of the problems that are there, despite the corruption, there has been an attempt on the part of the Mexicans to arrest their drug czar, General McCaffrey's counterpart in Mexico, and other actions that have been taken by the Mexicans because of their recognition of the threat that drugs pose to their very national existence; and, that, if we had decertified Mexico in the last decisionmaking process that the President took, there is the opinion in the view of many that would have harmed relations and the cooperation that we are receiving would have been lessened rather than increased thereby inhibiting our ability to win the war on drugs and a demotivated factor in helping getting them to cooperate with us?

Mr. DODD. I say, in my response to the questions, the Senator is absolutely correct. He stated it very well. And that certainly was the evidence offered by General McCaffrey and others whose business it is on a daily basis to monitor these events—and he suggested to us that, if cooperation is what we are seeking, the vehicle we have been using is not having the desired effect despite again the good intentions of those who sought this process.

I say to my colleague from Arizona, in response to his question, that the genesis of the certification process dates back to a time when I think there was bipartisan frustration over whether or not there was enough attention being paid at the executive branch level in terms of the drug-related issue. So a certification process was put in place.

I think most would argue today that however true those feelings may have been over a decade ago that over the last number of years there has been a heightened degree of involvement on the part of the executive branch—witness, of course, General McCaffrey, whom we all respect—doing the best they can. It is their conclusion, as well as my colleague from Arizona, as he pointed out, that this is counterproductive.

I might point out, that the elections that recently took place in Mexico were historic. I think my colleague and I would agree on this. It looks as close to a democratic and corruption-free election as probably has been held in Mexico. You have new members of the national legislature, and hopefully a new beginning in many ways here. It seems to me that our efforts here might do a lot to get that kind of cooperation out of new members of the Mexican Government—the legislative branch, along with President Zedillo, who, I think all of us would agree, has certainly been most cooperative in this effort.

So I agree with my colleague.

Mr. MCCAIN. If the Senator will yield for a further question, isn't it also true that we will hear objections to this amendment? And some of those objections will be based on the lack of cooperation that we have received from Mexico in fighting the war on drugs, something I believe the Senator from Connecticut and I would be the first to acknowledge—along with the fact that the resolution of the Senator from Connecticut a few days ago put the Senate on record in praising the Mexican Government, by a unanimous recorded vote here in the Senate, for their efforts of transition to a free and democratic form of government for the first time since the revolution.

I ask the Senator from Connecticut if he would not believe at this time whether it would not be most inappropriate for the United States to be on record as condemning Mexico, at a time when we are seeing the progress that we have been urging for, in fact, all of our adult lives, the Senator from Connecticut and I.

And I also want to ask, in addition, is the Senator from Connecticut aware of the White House letter dated July 16, signed by Samuel Berger, Assistant to the President for National Security Affairs:

> I am writing to express the support of the administration for the amendment that you and Senator DODD are proposing. We believe your amendment would allow the administration to develop and implement a new multilateral strategy to stem the flow of illegal narcotics. We believe the passage of this amendment will lead to a more effective multilateral effort in the war against drugs.

And also, is the Senator from Connecticut, who I know shares my profound respect and appreciation for General McCaffrey and the job he is doing and the responsibilities, enormous responsibilities, we have placed on General McCaffrey and the universal respect and admiration in which he is held, aware of a letter he wrote also on July 16, in which he says:

> Wanted to confirm that the Administration supports the Dodd-McCain legislation on international drug cooperation. Believe your thinking supports U.S. drug policy by recommending a mechanism that would allow us to make fundamental improvements in the way we cooperate with major drug producing and transit countries. At a minimum, your bill promises to remove a major cause of foreign policy friction especially with Latin American and Caribbean countries. Timing for consideration of new ideas is fortunate because of the upcoming Summit of the Americas and heightened interest in multilateral counter-drug cooperation following the President's travel to Mexico and Central America.
>
> ONDCP is prepared to lead an interagency task force to develop a new strategy.

By the way, I ask my friend, is it not true that we need a new strategy? That is the whole point here of this legislation. I do not know how anyone could argue that the present strategy has succeeded.

> Although we would want to explore a number of options, elements of a new strategy might involve increased use of multilateral mechanisms and international organizations such as the OAS. We might also consider expansion of ad hoc arrangements for in-depth bilateral counter-drug cooperation with countries of particular interest such as Mexico. The Department of State and ONDCP are already formulating plans for a fall conference to develop new thinking along the lines of your proposal.
>
> Respectfully, Barry R. McCaffrey.

I ask the Senator from Connecticut, would it not be appropriate that we should view the opinions of the President's national security adviser and the drug czar very seriously when we take into consideration this legislation?

Mr. DODD. Mr. President, it would. I urge my colleague at the appropriate time to ask unanimous consent that these letters be a part of the RECORD. I thank General McCaffrey for his letter and Sandy Berger for his letter.

Again, they state it very well. My colleague from Arizona has stated it well. We offer this suspension—and,

again, I want to emphasize ''suspension,'' Mr. President—for 2 years of the present law, not a repeal. There are some who would like to repeal it, and I might be counted among those, but I respect the fact that a suspension is the best way to go at this point.

But our colleague from Arizona states it well. The present system is broken. It is not working. We need some new, fresh efforts here. And with the commitment of General McCaffrey here saying to us, look, my office is prepared to lead an interagency task force to develop a new strategy. His letter to us today, I think it says it all. What better way to get started, if you will, than to have a clean slate for a couple of years to allow General McCaffrey and his team to go forward and try to do that without repealing the law of certification but merely suspending it.

You are going to get a lot more cooperation, it seems to me, with a suspension for 2 years and trying to bring these countries in than there will be if we gather as we do annually and go through this process, as our colleague from Arizona pointed out here, again on the certification. We are out here debating 11th-hour negotiations on waivers, all efforts to try to avoid a catastrophe, and once again find ourselves in a mess with certification practices and no advance strategy to deal with this issue. I am grateful to the Senator from Arizona, the administration and General McCaffrey for this effort.

I think this is a good, bipartisan effort, Mr. President, to come up with a new dynamic, and I thank again my colleague for his support and leadership on this effort.

Mrs. FEINSTEIN addressed the Chair.

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

Mrs. FEINSTEIN. I thank the Chair.

I rise in strong opposition, and I hope it will be robust opposition, to the Dodd-McCain amendment, which would gut the narcotics certification process and replace it with absolutely nothing.

Mr. President, I just heard the distinguished Senator say ''trust General McCaffrey.'' With all due respect to General McCaffrey, this is such a volatile and unpredictable area that it is impossible to know what to believe. It is understandable that General McCaffrey could stand before the world and say, ''I trust General Gutierrez Rebollo. He is an honest man.''

Whoops. The next thing we know, he is on the take. My goodness, how can you gut a process and replace it with nothing except trust when we have already found that trust to be wanting.

Now, let me say for a moment, I want to divide my remarks into three parts. The first is foreign assistance and who should get foreign assistance as a product of this amendment. The second is a certification process and what it has actually done in Colombia. The third is Mexico postsummit and what has not happened.

This debate is really about whether we should give foreign aid and support development loans to other nations with no strings attached even if we know that the leaders and government of the country do nothing to assist in stopping the flow of drugs to the United States.

I think we need to clear up a major misconception about the debate here today on the drug certification process. This is not a debate about whether drug certification is a process that hurts our relations with our allies in the hemisphere because we sit and pass judgment on other nations. This is a debate about foreign assistance and under what circumstances the United States should offer assistance to other nations. With the exception of humanitarian assistance, the United States provides foreign assistance not only because America has a great and good tradition of assisting other states, but because we want to encourage certain types of behavior—because we want cooperation on political, security, or economic policy.

The distinguished manager of the bill, Senator MCCONNELL, has said it very well today again and again. He said, ''Foreign aid is not an entitlement program. Just because you received it last year does not mean you should receive it this year. You have to earn it.''

A nation that does not fully cooperate with our efforts to keep drugs from reaching our schools and our children has not earned the right to receive foreign assistance from the United States. We are not obligated to provide assistance. We provide this assistance because it is in our interest to do so, because it encourages behavior and policies which we support. Before we provide money, we have every right to expect that we will get cooperation from those nations to which we provide it. Indeed, we have a duty to our constituents not to send their tax dollars to a country if it is undermining our counternarcotics effort. That, in fact, is why we have the certification process as an instrument for cooperation—not because we want or enjoy the opportunity to sit in judgment on other nations. It is not a policy for faint hearts. I admit that. It is not about rating who we like or who we do not like. It is not about saying you are good and you are bad.

The current certification process may not be perfect, but it accomplishes something very important. Once a year it focuses the attention of our executive branch and of other nations whose cooperation we need on what is perhaps the most crucial national security issue this country faces.

If anyone had to ask me what is America's No. 1 national security threat, I would say drugs, drugs, drugs. There is no other. It is my firm belief that without the drug certification process, we would have no debate of this kind. So I am not sorry we have this process. I think it focuses our efforts, and, even when it bruises feelings of other nations, it ultimately produces more cooperation, not less.

Now, let us for a moment look at Colombia, a country which we did decertify 2 years ago. The evidence is clear. When we decertified Colombia, the reaction was initially very harsh, and then, very quickly, Colombian cooperation began to improve.

Colombian officials came to my office just a month or so ago, and here is what they told me: In the last year, Colombia has fumigated 20,000 hectares of cocoa, the most ever; destroyed 800 drug laboratories; began working with the United States to develop a radar system to allow the government to secure control of all Colombian airspace, an air control system that allowed them to force down approximately 50 small drug-runner planes—force down 50 small drug-runner planes—which would have otherwise evaded Colombian air traffic control.

They have begun working with the U.S. Coast Guard to develop strategies for intercepting narcotics traffickers at sea; they have passed tough new laws on asset forfeiture for narco-traffickers, and they are implementing them; they have arrested and convicted at least 5 politicians I know of, and incarcerated them for taking money into their campaign funds from narco-traffickers; they have passed tough new penalties increasing sentences by 4 and 10 times for drug-related offenses; and they have instituted aggressive new proceedings against the Cali and Medellin cartel leaders. The Medellin cartel leaders are all in prison. The cartel is no more. And the Cali cartel is in the process of disintegrating.

Does anyone honestly believe that Colombia would have taken these steps in this fashion if it had not been for the U.S. drug certification process? I think not. And as a matter of fact, I am of the view that if this continues, Colombia should be recertified, and we should say thank you for working on this problem in the way in which you have.

Before Colombia was decertified, the powers of the cocaine cartels grew. The number of hectares planted with coca grew. The corruption in the Colombian judicial and political systems grew. But when the United States said ''enough'' and decertified Colombia, all of a sudden the Colombian Government did an aboutface. I think that this example can affect other nations as well. Unfortunately, much of the trafficking and the transportation of drugs has moved to Mexico, and this is the next frontier of the battle.

Now, let's compare the situation in Colombia today with that in Mexico today post-summit, post-Presidential visit to Mexico. Still, not a single extradition of a Mexican national on drug charges. I say on drug charges. On other charges perhaps. Despite all of the debate last year, despite the economic summit, not a single extradition

of a Mexican national wanted in this country for drug charges has been carried out by the Mexican Government.

There are continued restrictions on the operations of United States drug enforcement agents in Mexico. Even when working in cooperation with their Mexican counterparts they still cannot protect themselves if they are working on the other side of the border. They still are not allowed to carry weapons. Coast Guard ships in pursuit of trafficking vessels on the sea still need to give Mexico 30 days' notice before putting into port to refuel. There are no air or maritime agreements to forge a joint approach for interdiction of narco-trafficking. There is still massive corruption at all levels of the government, law enforcement and the military, prosecutors killed, judges murdered, and, most recently, the plastic surgeon that did the surgery on Amado Carrillo-Fuentes has reportedly—I cannot verify it, but reportedly—disappeared.

Drug cartels are running rampant in Mexico. Corruption along the U.S. border—and I will speak for California—has never been worse, never been worse. The cartels are now controlling street gangs in Los Angeles, and this is where I stand up and say ''I have had enough.''

My distinguished colleague and friend from Connecticut read from a number of editorials. You know, I judge stories by the by-line. There is a reporter whom I respect very much. His name is Marcus Stern. He writes for the San Diego Union Tribune. This is a headline on the 12th of this month, ''Drugs still flown over the border, say agents.'' Let me quote from part of this article:

> But a dozen military and civilian officials directly involved with the counter-drug effort along the California-Mexico border said in interviews during recent weeks that the skies in San Diego and Imperial counties are largely out of control and are still being heavily used by drug traffickers.
>
> It's pretty much wide open * * *
>
> * * * * *
>
> But the antidrug officials interviewed in recent weeks said military observation posts deployed along the border are spotting a half-dozen planes a week flying into Imperial County alone. The planes are flying low at dusk with their lights out, the officials said.

This is happening every day on the border. It is the wrong time to do gut the certification process. The administration has agreed to give us a report on September 1 on progress made by Mexico. That is pursuant to our Senate-passed resolution. I, for one, am eagerly awaiting it, to see what progress has been made. At this stage, I know of no real progress that has been made.

The sponsors of this amendment argue that Mexico fails to cooperate because of the certification process. They argue that Mexican pride and nationalism make it difficult to appear to respond to American threats. That's nonsense. It is baloney.

President Zedillo, whom we all believe is committed to fighting the drug traffickers, has said repeatedly that drug trafficking is the No. 1 threat to Mexico's national security. Well, either it is or it isn't. If it's such a grave threat to Mexico's national security, they should cooperate with us in their own interests, not because we make demands. Extradite drug pushers, allow U.S. Coast Guard ships to refuel, allow DEA agents working the other side of the border to carry firearms to protect themselves. I believe we have every legitimate reason to make clear we will not accept anything less than full cooperation.

The whole issue is an issue right now, precisely, I believe, because the administration was not honest in the certification process in dealing with Mexico. As much as I, too, would like to see a more flexible certification process, the situation with Mexico, for me, underscores exactly why we need a certification process.

I come from a State that is perhaps the most impacted State in the Union with these drugs. Yes, cocaine prices have dropped on the streets of Los Angeles in the last 5 years. It is not because of a certification process. It is because we have not had the guts to do what we should have done and decertify Mexico. I believe that's the reason. To replace a policy which may come to some fruition this next year with nothing is wrong.

I agree with the idea of a commission. I am happy to have commissions. I learned when I was mayor, if you didn't know what to do, appoint a committee. Better still, appoint a commission.

But I know what to do. We have to stop those overflights. We have to see that the border is enforced. We have to press for cooperation. We have to have extradition for those for whom there is a bona fide American arrest subpoena or warrant who traffic in narcotics.

So, I am not prepared to vote for an amendment that leaves us with no plan but simply takes Mexico off the hook: No evaluation this fall, no ability to read the September 1 report presented by the administration and make a decision as to whether there has or has not been any progress, then wait 2 or 3 years for this undefined, ephemeral ''something.''

Respectfully, I can't turn around and just depend on trust when another nation's leading anti-drug official turns out to be on the take. What's wrong with our intelligence? How can that happen? We don't question it even. How can that happen? It did. And that, I believe, typifies our drug policy with Mexico. Frankly, it has been one of spin. I, for one, am not going to buy the spin. I want to see the results on the street.

When cocaine prices on the street corners of Los Angeles rise, I know something has happened. When I pick up this newspaper and, instead of seeing ''Drugs still flown over the border,'' I see ''Five Planes Downed, Pilot, Copilot Arrested, Two Tons of Cocaine Recovered,'' then I know we have something going on on the streets, as they say. So, that is what I am looking for. When I see Mexico say, ''Here are the cartel leaders, we are going to bring them to trial, we are going to bust the cartels,'' then I know we have something going.

So, until then, to do away with the certification process, I think, is to say to the people of the United States, ''We are going to do nothing for the next 3 years.'' I, for one, am not going to be party to that policy.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter signed by Senator GRASSLEY, Senator COVERDELL, Senator TORRICELLI, Senator JOHN KERRY, and myself, and I yield the floor.

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

U.S. SENATE,
Washington, DC, July 16, 1997.

Vote ''no'' on the Dodd-McCain amendment to end narcotic certification.

DEAR COLLEAGUE: We write to urge you to join us in opposing the Dodd-McCain amendment on narcotics certification. This amendment would dramatically weaken the United States' ability to gain cooperation from other nations in the war against international narcotics trafficking.

The Dodd-McCain amendment would effectively end the narcotics certification process and replace it with . . . nothing!

The Dodd-McCain amendment would tell other nations that we will provide them foreign assistance with no strings attached, even if they do nothing to assist stopping the flow of drugs to the United States.

The Dodd-McCain amendment would instantaneously deprive the United States of the leverage we have used successfully to gain greater anti-narcotics cooperation from many nations, including Colombia, following its decertification two years ago.

The Dodd-McCain amendment would send a signal to our friends and partners—and to the drug lords—that the United States is not serious about combating narcotics.

The Dodd-McCain amendment calls for a task force on international narcotics control and an international summit to develop a multilateral strategy—which are laudable goals—but it would unnecessarily gut one of the central tools in our current narcotics control strategy, without specifying what will replace it.

The influx of illegal narcotics is perhaps the gravest national security threat facing the United States today. In order to effectively combat this threat, the United States needs to work with our friends and partners in the Western Hemisphere to interdict this massive flow of drugs and to arrest and punish the drug lords.

But when we do not receive the full cooperation of other nations in these efforts, we must be able to act to let them know that they must do more. That is why we have the drug certification process. We urge you to oppose the Dodd-McCain amendment.

Sincerely,

DIANNE FEINSTEIN.
CHARLES E. GRASSLEY.
JOHN KERRY.
PAUL COVERDELL.
ROBERT G. TORICELLI.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Iowa.

Mr. GRASSLEY. I want to make it clear I disagree with the Dodd-McCain

amendment. We have been focusing in this debate on the necessity and the impact of the certification process on foreign countries as if the only purpose of this was to put pressure on foreign countries. That probably is the primary purpose and maybe the only one we talk about. But, as well, I would like to suggest that we have a situation where this process keeps our own Government decisionmakers responsible. In other words, through this certification process, we are causing them to make an annual judgment of whether or not our process of interdiction in other parts of the world on drugs is actually working and effective. I think that is a very important purpose of our process, to make our own elected and appointed government public officials take care to look at the process, look at whether the policies are working, to assess those policies, maybe to suggest changes in those policies—maybe even in basic law—but, also, to make a judgment of whether or not they are effectively carrying out the laws the way intended.

I find the assumptions upon which the Dodd-McCain amendment is based to be wrong. I believe what it represents is a moving away from a serious standard of dealing with the drug problem. I believe it gives other countries a bye on taking drugs seriously. I believe it lets the U.S. administration off the hook. So I urge my colleagues to join me in voting against this amendment. If anything, we should be discussing measures to strengthen the process. It is a process that has served us well.

We have had a letter by the present drug czar quoted on the floor of the Senate as supporting this amendment. I would like to suggest to you that I have had an opportunity to visit with another drug czar—former drug czar now—Bill Bennett. He was a very good drug czar. He was a drug czar when policies were working. He speaks very strongly in support of the present certification process and, consequently, would urge our vote against the suggestions of Senator DODD and Senator MCCAIN.

It is argued by the proponents that the certification process does not work. No evidence is offered for this view. It is simply asserted. But what does ''working'' look like? I would like to ask a question in a different context to make this very point. Just recently we passed legislation putting more teeth into the sanctions for countries that support international terrorism. Do we believe that passing such laws will end international terrorism forever? Or do we believe that we need to have measures in place to ensure appropriate means are available to us, means that will help us uphold U.S. interests and international standards of conduct? I do not think anyone here believes that our laws will necessarily end terrorism as we know it. That is not the intent. The intent is to set a standard that terrorism is wrong and that we are going to fight terrorism wherever we can.

We have passed legislation to hold countries responsible for violating intellectual property rights. Do we expect this legislation to end all pirating of books or CD's? Or do we expect to have the means available to us to respond to all counterfeiting, to send a message about what the standard is that we believe that we need to uphold? I think everyone knows the answer.

Why are we seeking to establish some sort of different standard for drugs? It seems to me in the case of terrorism we say terrorism is wrong, we pass laws against it, we fully expect to enforce them in every way we can in an effort to end terrorism. We may not actually end terrorism, but it is a standard. So the certification process is not about the ultimate end to drug production or trafficking. Our law will not end that any more than any of these other laws that I have mentioned will end the problems that they address. The intent is to establish needed standards, to set the terms of reference for what doing something meaningful looks like, and to take appropriate action when this does not happen.

Some, however, seem to want to hold drug certification to an impossible standard of judgment. The argument made is that certification does not work. In fact, certification is doing exactly what Congress intended. It forces the U.S. administration at least once a year to take international drug policy seriously. It also requires them to account for their actions to the Congress. I can appreciate that the administration may not like having to make all these very tough decisions. But we must hold this President and future Presidents, as we have held past Presidents, accountable for this process.

Certification also forces other countries to do the same thing. Now, what about those other countries? These are countries that are major drug producers or transiting countries for illegal drugs. A goodly percentage of those drugs are then smuggled into our country. These activities are illegal under international law and even under the laws of the countries from which the drugs come.

In any case, these same countries have bilateral agreements with the United States committing them to take steps to stop drug trafficking and production. In addition, many of these countries receive U.S. assistance, that is money and support, to combat illegal drug trafficking.

What does certification do then? It asks that these countries take serious steps to meet their obligations under international law, under local law, and under these bilateral agreements. It asks the administration to report to Congress on whether countries are doing this. It sets measures for determining what cooperation looks like. If, in the judgment of the administration, the country does not meet these standards, then it proposes limited sanctions. It also provides a means for Congress to exercise its foreign policy-making authorities to override the President if it does not accept his determination.

It is hardly outrageous, Mr. President, that we expect other countries to abide by laws and by commitments, international and otherwise, made by those countries. It is hardly unfair to expect an assessment of these efforts. It is not unrealistic to expect that we will take appropriate responses if minimal standards are not met, and we are perfectly within our right to decide not to continue our support. That support, after all, is not an entitlement, and it is not beyond the pale that we ask for an accounting.

Certification has been around for about 10 years. As with other cases, the longer the requirement has been on the books and the more Congress has insisted that it be taken seriously, the more used and useful the process has become. The process has gathered momentum. Last year, in fact, I asked the Congressional Research Service to review the merits of the certification process. That review, which is still available, makes clear how the certification process has matured and proved effective. In that review, a former senior State Department official and ambassador makes the point that the certification process works. Other countries take it seriously. He recommended keeping it.

Not only has the standard been applied with more rigor, it has also encouraged greater cooperation from certified countries. All in all, more countries now take as a given that drug control must be an important element in their thinking. This was not always the case. It is why Congress required certification in the first place. The need has not changed. If anything, the need is greater today.

I want to make one final point. Some have argued that we must not continue the certification process in regard to Mexico because it might damage the evolution of democracy there. While I agree that we must support democracy in Mexico, we must not end up supporting a narcodemocracy there. A recent New York Times piece by Tim Golden makes it clear just what the problems we and the Mexicans face from their drug traffickers because of their influence within the country of Mexico. Their strength and influence is all the more reason why we must not back away from certification.

Although it can be a painful process, it forces both countries and their governments to examine their situations. Sometimes the role of a friend is to deliver bad news. Nor do we become the friend of democracy in Mexico by shying away from our duty to the American people. As long as Mexico remains a major producing and transiting country, as long as Mexican authorities cannot or will not take adequate steps to control corruption, we cannot afford to ignore what happens in Mexico.

With these thoughts in mind, I ask you to vote against the Dodd-McCain

amendment. But in addition, we were told again, referring to a letter from General McCaffrey, the President's drug czar, about his support for this amendment.

I refer, in closing, to the March 1997 report from the U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, the International Narcotics Control Strategy Report. This is an annual report, and on page 6, it speaks about the certification process. The last paragraph says: ''The process works.'' This is a document that has been approved by every Government agency that has something to do with the war on drugs. It says, after ''The process works'':

> The certification process has proved to be a remarkably effective diplomatic instrument for keeping all governments aware of the need to pull their weight in the international antidrug effort.

I ask unanimous consent that the rest of the paragraph be printed in the RECORD.

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

> By now, most governments are aware that US law requires the President to provide an annual assessment of counternarcotics performance. And most know that the outcome of that assessment depends heavily on their efforts throughout the year. The drug certification process holds them publicly responsible for their actions before their international peers. Though many governments understandably resent the process, most governments try to ensure that they receive full certification the following year. They know that the President of the United States would not make such a serious determination without sound, objective evidence. The purpose of the law is not to punish; it is to hold every country to a minimum acceptable standard of cooperation, either by meeting the goals and objectives of the 1988 UN Drug Convention or by their own efforts. We believe that openness is one of the best safeguards against corruption. Most governments also recognize that we are not asking any country to do the impossible. By regular and sustained collaboration throughout the year we work with most of the governments concerned to establish realistic goals for certification purposes. We know that some governments face greater obstacles than others and we take that into account.

Mr. GRASSLEY. Mr. President, in conclusion, when we are being read letters and saying how the administration supports this, remember that every agency within the Federal Government that had to review this process in March of this year said the process works. I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask my colleagues to step back carefully and to analyze, as closely as possible, the realities that surround this question of certification. Two of the more capable and knowledgeable Senators with respect to international affairs—and I respect both of them enormously—are bringing this amendment to the floor. On most issues, we agree. This is one where I am convinced of the bona fides of their intent, but where I am equally as convinced that the effect of what they are doing, the effect of this amendment will be to take a serious step backward in whatever level of war on drugs you want to determine exists.

I do not believe that that is anything but an inescapable conclusion based on a number of different realities: based on what countries are doing today because of the certification process, based on the choices available to the President within the certification process and, most important, based on what they are proposing, as opposed to the road that we have already traveled.

What do I mean by that? Mr. President, the Senator from Arizona and the Senator from Connecticut are proposing that we just chuck the certification process for a 2-year period, a suspension they call it, while we gather a task force and ultimately, hopefully, a summit. Who will attend the summit is totally up for grabs. Who will appoint a task force is totally up for grabs. But I ask every Senator here who has traveled the journey of drug fighting over the last years to ask themselves if what they need is another task force when, in fact, everything that we are asking other nations to do is part of an international convention today.

The certification process is not some American-dreamed up notion of taking an American standard and asking Mexico or some other country to live up to the American standard. We are asking countries to live up to the standard that they have signed, that they have agreed to live up to already, that they already got together on at a global summit under the United Nations and agreed would be the standard of their behavior. That is what this is all about.

If the Senate wants to come here today and vote to say that they can better the Vienna Convention, the United Nations Convention Against Illicit Traffic in Narcotics Drugs and Psychotropic Substances, then I would like to know how.

The countries that have already signed the international agreement are the very countries about whom today we are making a judgment about whether or not they are cooperating: Afghanistan, Antigua and Barbuda, Bahamas, Bolivia, Colombia, Ecuador, Haiti, Panama, Paraguay, Nigeria, Mexico, the Russian Federation, Syria—they are all signatories. They already came together. They already signed an agreement. They said they would behave by a different standard, and all we are doing in the certification process is saying we are going to make a judgment about whether or not the taxpayer dollars of U.S. citizens ought to go to a country that signed an international agreement, said it would do X, Y, and Z, but isn't doing it.

What are we being offered instead? Instead, we are being offered the notion that we are going to chuck the process of certification so we can take a couple of years to meet again and come to agreement again on the very thing we agreed on, presumably, a number of years ago. What are the things we agreed on in this convention that we have already signed?

Let me give you one example. Here is one called extradition. Each of the offenses to which this article applies shall be deemed to be included as an extraditable offense in any extradition treaty existing between the parties.

We have an extradition treaty with Mexico. It is an agreement as part of the 1990 accord. We already ratified it. We signed it. They signed it. But they don't do it. So what is the response? The response is to come to the floor and say, ''Oh, gosh, these countries get really upset because we try to hold them to the standard they said they would live by, so we better pull back because they don't like the fact that we want to hold them to their word, and we're going to go talk about what we might do in order to, once again, get them to do what they already said they would do.''

It is the most incredible thing I have ever heard. Of course, they don't like the certification process, because it works. This is not a stale annual event. It is anything but stale. It is working, and it is working, Mr. President, because we have taken it seriously.

Senator GRASSLEY just quoted the International Narcotics Control Strategy Report of the United States of America, this year, this March, 1997. This is what our State Department said only a few months ago:

> The certification process has proved to be a remarkably effective diplomatic instrument for keeping all governments aware of the need to pull their weight in the international antidrug effort. By now, most governments are aware that U.S. law requires the President to provide an annual assessment. . .

And so on.

''Proved to be remarkably effective.'' This is Mexico driven, because we had a difficult time, frankly, because many of us thought that the administration made the wrong decision. They could have certified Mexico with a waiver, and that would have permitted Mexico to continue to get its aid because, as a matter of national security interests, most of us thought it should, but we also knew there were problems in cooperation.

Mr. President, if my colleagues believe that the next step in the drug war is to come to the floor and take 2 years to go through some kind of task force effort to dream up some better way of holding these countries accountable, I would be amazed if there is any response from those other countries except continued delay, obfuscation. If they want our money and they are willing to do something to get our money, but we take away that whole requirement, what is going to leverage that cooperation? More talk? More good wishes? More signatures on a piece of paper that they have already signed?

Let me share with my colleagues some of the things that they have already said they would agree to do.

They would agree to promote cooperation among the parties so they may address more effectively the various aspects of illicit traffic in narcotic drugs.

They will carry out their obligations under this convention in a manner consistent with the principles of sovereign equality and territorial integrity.

Each party shall adopt measures as may be necessary to establish as criminal offenses the production, manufacture, and so forth.

There are still nations struggling to do that.

Each party is supposed to make the commission of the offense established in this treaty subject to imprisonment or other deprivation of liberty.

They are supposed to ensure that their courts will have jurisdiction. They are supposed to ensure that they trade evidence. They are supposed to extradite. They are supposed to provide mutual assistance and the transfer of evidence and people. They are supposed to enter mutual legal assistance treaties.

There are a whole bunch of things here that we already agreed we are going to do. And under the certification process, all we do is make a judgment as to whether or not they are doing it and as to whether or not we are going to give them continued American aid if they are not.

Mr. President, let me just share with you, our colleagues have come to the floor and they have said, ''Gee-whiz, people are complaining. And this doesn't work.'' But they have not shown you how it does not work. There is no showing that this does not work.

The fact that drugs still enter the United States is more a reflection of our unwillingness to commit adequate resources to drug treatment, to drug testing, to education, to alternatives for children, to police in the streets and all the things that would make more of a difference than it is to the certification process. But the fact is, that on the international front the certification process has worked.

Let me be very specific about it.

In the Bahamas, effective counternarcotics cooperation specifically intensified with the implementation of the certification process in 1987. The Bahamian Government's willingness to accept more of our assets, U.S. Government assets, and to provide additional resources of its own in the fight increased the moment they knew they were subject to certification.

In December of 1986, the Bahamas passed a new, tougher drug law. And more recently, in 1995 and 1996, the Bahamas passed money-laundering laws and implemented regulations based on U.S. Government certification related to demarches. The fact is, we had issued demarche after demarche to those countries, and they have responded to those because they knew there was a process in place that created accountability for the first time.

Another example. Jamaica. The Jamaican Government was particularly slow to pass money-laundering legislation or to even ratify the very treaty that I just talked about. But as a result of the demarches that we issued, and using the leverage that existed in the certification process, Jamaica specifically reversed that situation in 1995 and 1996.

Jamaica is now a party to the convention and has a new money-laundering law. In 1995, the President gave Peru a national defense certification because their record was mixed. They had successful interdiction but they had no reduction in the coca crops. Since that time, the Government of Peru has implemented a strong coca reduction, an alternative development program which has resulted in an 18 percent reduction in the total of Peruvian coca cultivation. So that worked as a result of the decertification process.

What about Colombia which we heard talk about? Colombia was decertified in 1996 and 1997. It received a national interest certification waiver in 1995. There is no question that the Colombians were very unhappy with the original decertification. Who would not be? But the fact of the matter is, that when they were faced with the ramifications of that decertification, the Colombian Government's law enforcement efforts have improved ever since then.

Key Cali syndicate leaders have been arrested, and there is the aerial eradication of coca and opium and poppy which has improved. In addition to that, the longstanding constitutional prohibition against the extradition of Colombian nationals has now been reopened in the form of legislation presented by the Colombian Government to the Colombian Congress. Let me emphasize that. Colombia took away one of the principal ingredients of the international convention. The international convention required people to be able to extradite. Colombia wrote that in at the insistence, Mr. President, of the cartel. How do we know that? We know that because subsequent raids uncovered documents that showed the cartel's own drafting of the constitutional amendment to do away with extradition.

So as a result of our decertification, we have been able now to move toward the process of changing the one thing that the cartel members fear the most, the possibility of being extradited to serve time in an American prison, not in one of their prisons of comfort and of personal convenience that they negotiate in Columbia. That is why they took it away. And now we are on the road to getting it back. Why? Because we had the certification process in place. That is why.

I talked to General McCaffrey today. And I understand how administrations work and the marching orders are, but I will tell you, I sensed no great overpowering conviction that this is the right step to take, notwithstanding the letter that he has written.

In addition to that, I believe that this process is being foisted on the Senate in a way that does not adequately permit for alternative possibilities. I am not suggesting the certification process is the only way to proceed. I am not suggesting that it is the best thing in the world. I am not suggesting that it cannot be refined.

What I am saying, Mr. President, is that rather than just suspend it altogether with some high hope that you are going to come back and somehow do what we have already done, we ought to at least leave it in place until we offer some concrete alternative or put together a task force that works while it is in place so we can continue this process, and then if there is a legitimate substitute, open our minds to substituting it. But what we are being offered is a suspension with a hope that some future photo opportunity or some future meeting will produce what meetings heretofore have not been able to produce.

I say to my colleagues, that even in Mexico—even in Mexico—the possibility that we might have decertified them actually produced last-minute steps in an effort to try to say, gee, we really are cooperating. And so they dismissed some 1,250 Federal law enforcement officers, they removed the drug czar for narcocorruption in February, they passed the organized crime bill and the criminalization of money laundering and chemical diversions, and they reorganized Mexico's whole antidrug structure. How can you say it is not even working in Mexico when the fact is, that those steps were taken precisely because the decertification process is in place?

I am not going to go through all of them now, but while my colleagues come here and talk about the discomfort that is created or talk about how uncomfortable it is for our relationship with these countries, you can look at every single other country, and you will see progress that is being made as a consequence of the existence of this bill. You can see it in Panama. You can see it in Bolivia. You can see it in Paraguay. And you can see it elsewhere, Mr. President.

So the point is, the certification process is not a substitute for a comprehensive strategy to deal with drugs, but it is an effective tool which the State Department only a few months ago was lauding as an effective tool.

And it seems to me that the hue and cry you hear from these countries, ''Gee, we don't like you holding us accountable,'' is in fact its best argument for the reality that this works. Is it a rough tool? Yes, I will admit, sure it is. It has its element of hardness in that sense. But Mr. President we have traveled this road for a long time—a long time.

We have written a number of drug bills in our country. We have put additional cops on the streets. We are trying to augment our own drug strategy at home. But the fact is, that the domestic side is only one piece of any strategy to deal with drugs. You need effective law enforcement at home, you need effective education at home, and you need effective treatment at home.

And we have been negligent with respect to a number of those. But that does not mean that you can turn around and throw away the other side of the coin, which is the interdiction and international cooperation which is also an important tool. And I respectfully suggest to my colleagues that the certification process deserves better than simply to be put into hanging suspension, with some promise of more talk that will only result in ratification ultimately of the very international agreement that it is based on.

I emphasize to my colleagues, this is not some ''Yankee from the North'' standard. That is how they effectively play those politics. They very effectively do that. And then they complain to our diplomats when they go to Mexico, and they say, ''Oh, boy, you guys are stirring up the politics of our country because you're sort of imposing this standard on us.''

Mr. President, it is not our standard. It is their standard. They signed the international treaty. And all we are doing is making a judgment of whether our tax dollars ought to be given to those countries that signed the agreement and then do nothing to live up to the standard. This is not our standard. It is the world's standard. They have signed on to it. They ought to live up to it. And we should not walk away from the one effective tool we have put in place that helps us hold on to that standard.

I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I will be brief. I know that the managers of the bill and everyone else wants to get votes and final passage on this issue. I think the issue has been pretty well ventilated.

I will just make a couple comments. One is that a comment was made earlier about General McCaffrey. I think it is important to point out that no matter where we are on this issue—which side—that General McCaffrey deserves our respect and our admiration and appreciation. There was some allegation about his judgment of the Mexican general, and I think we all make mistakes from time to time. But the fact is that General McCaffrey has, in the view of all objective observers, done an outstanding job.

The Senator from Massachusetts just made a reference to our tax dollars. The Senator from Massachusetts knows full well that no foreign aid goes to Mexico. The only money that goes to Mexico is strictly for the purposes of drug interdiction. That is the only money. In fact, the Mexicans pride themselves on not taking foreign aid from the United States of America. So I think it ought to be viewed in that context.

But finally, Mr. President, when we vote on this I think the fundamental questions are as follows: Has the present policy succeeded in helping us win the war on drugs? Has the present process of certification or decertification raised the price of drugs in Phoenix, AZ, and Detroit, MI, and New London, CT, and Boston, MA? Has the present policy been instrumental in getting the kind of cooperation and assistance that we need from the Mexican Government and their officials? Has the present policy of certification, decertification, had any beneficial impact on stopping the drug trafficking which goes across our border in large quantities as we speak?

Those are the questions that have to be asked. And if you believe that the present policy and certification has worked, and has proved a benefit and has been helpful or has been an ingredient in raising the price of drugs, winning the war on drugs, closing our border to the flow of drugs, increasing cooperation assistance on the part of the Mexicans, then I say vote against this pending amendment.

But I say that the President's national security adviser, the drug czar, and many other experts throughout the country have said, look, let us try something different. Let us come up with some new ways which can address this terrible scourge that is destroying the youth of America. Let us try a new way.

That is all this says. Let us try to be more effective. Let us try a way of suspending, simply suspending for 2 years, not abolishing, but suspending for 2 years the certification process in hopes that all of us together, the executive and legislative branch, working with the American people, can come up with a way of winning a war that it is sad to say, Mr. President, we are losing.

If those who oppose this amendment think that what we are doing now works, fine. They are entitled to that opinion. But I do not believe that those we place in positions of responsibility in the executive branch of Government share that view, nor do most experts. The Senator from Connecticut read off the editorial comment from literally every major newspaper in America in favor of this amendment. And I do not blindly follow the advice and recommendations of all of the experts, nor the leaders of our administration and those we entrust to conduct of our national security policy and our drug policy. But I say, we ignore that advice and recommendation at some risk.

So, Mr. President, I hope we can quickly dispense of further debate and vote on this.

I thank the chairman and floor manager for his indulgence as we have discussed this very important issue. I yield the floor.

Mr. MCCONNELL. Mr. President, we will be able to get a consent agreement to have a series of votes here shortly. I know Senator COVERDELL is here and wants to speak to the Dodd-McCain amendment. We will offer a unanimous consent request for some votes on or around 6 o'clock shortly.

Mr. KERRY. I know the Senator from Georgia wants to speak. I will take 2 quick minutes, if I may.

I answer the question the Senator from Arizona asked, which was the question about the effectiveness and price. The test of whether or not certification is effective is not just a reflection of what happens to the price of drugs or their availability. Everybody knows that interdiction is ultimately an impossible task. Drugs will come in. The question is, are you raising the cost of business sufficiently that the risks are great enough for those who engage in it that you have a legitimate effort to reduce it from scourge to nuisance? The truth is, Mr. President, there are a whole set of other questions you have to ask to really test that effectiveness.

For instance, do they extradite people? Do they have a law of extradition? Do they have asset seizure and forfeiture laws? Have they implemented the laws of asset seizure and forfeiture? What kind of sentencing structure do they have? Do people actually serve time? Do they trade evidence with you? Do they create a mutual legal assistance treaty? There are a whole series of judgments here where, I suggest respectfully to my colleagues, the vast majority of the evidence is on the side of those who say this certification process is working because it has produced results in every one of those other areas of measurement.

Now, the other point I make—I know that you have editorials. Sure you have editorials. I have read some of them. One comes from my own newspaper in Massachusetts. Most people that I have talked to about this process make the judgment that the reason they viscerally feel it is not a fair thing to do is they think we are implementing a standard that is just American, that we are sort of judging them and then, in a high-handed fashion, coming in and saying, ''Hey, you are not good enough for America.'' The point that I think needs to be reemphasized over and over that many are not aware of is, it is not an American standard, it is the internationally arrived at standard which they have agreed to live up to themselves. So we are really finding only one tool existed in the process.

The last point I make is that this does not have to be as difficult as it was made this year with respect to Mexico. Most people, I think, came to the conclusion ultimately that, while they wanted to avoid a politically sticky situation, Mexico was not, in fact, capable of cooperating fully, and there were plenty of ways to praise the democratic process, plenty of ways to praise President Zedillo, plenty of ways

to bolster those who wanted to make it happen and provide a waiver that allowed them to be certified, but on the basis of national interest.

Had that happened, there would have been no great fight in the U.S. Senate, and had that happened, we would not be here today putting to the test the one tool that has worked in helping us to hold the Vienna Treaty accountable.

Mr. COVERDELL. Mr. President, I will not be supporting the Dodd-McCain amendment, but I wanted to make several observations about the situation we are facing this evening.

First, I want to commend Senator DODD of Connecticut for his extended interest in this subject, for his cooperation and longstanding work on the matter. I am an admirer of his work. I believe, however, that this is not the way to close the circle on the long, extended debate on certification and that process.

As chairman of the Western Hemisphere Subcommittee, I promised to hold hearings on the issue. As Senator DODD knows, I have long said there are real questions about this process that need airing. I have to say I am somewhat disappointed by General McCaffrey and NSC Adviser Berger coming forward in this manner without a thorough discussion. I worked extensively, along with Senators DODD, KERRY, MCCAIN, HUTCHISON, and others, when this became so contentious before, and I think we ought to have had more notice with regard to their views on this than we have had.

I want to point out that the certification process has had successes, as Senator KERRY has pointed out, and it has created issues and problems, as Senator DODD has pointed out. There have been benefits and there have been problems. The idea of shutting the process down without a fix on where we are going to go bothers me. Senator DODD and I have talked about an alliance. Well, maybe that would be an appropriate new place to go. But to just stop what we are doing without knowing where that new place is and in this manner, I don't think is appropriate.

Mr. President, the certification process is not only about other governments. It has been a tool for the Congress to be at the table on these issues with our own executive branch. In fact, in the long debate over certification of Mexico, it did result in this letter from the President to myself and Senator FEINSTEIN, and it makes an extensive outline.

It says:

> I want to keep the Congress informed of the progress we are making toward achieving the objectives set forth in my 1997 national drug control strategy and the U.S.-Mexico alliance against drugs. Director McCaffrey will provide further details on these issues to Members of both Houses in the near future. My administration will also provide the Congress, by September 1, [that is this September] 1997, a report covering each of the issues contained in the Senate Resolution passed in March as elaborated in your recent letter and discussions with my administration.

In other words, through the discussions about the process, the administration has told the Congress it is going to come with a full report and present it to the Congress in just a month and a half. It strikes me that we ought to see the report, hold the hearing, and then see what it points us toward—not just suddenly come forward and end the process before we have had the report. I have to say, Mr. President, if it were not for the process, I doubt we would have ever gotten this letter.

The last point I make is, I just came from a hearing, a portion of which Senator DODD was able to attend, but he had to return to the floor. The discussions by the various witnesses were exceedingly alarming. They described, on our border, armed conflict. They described drug cartels operating in military fashion—not a bunch of hooligans—with the most sophisticated equipment, semiautomatic weapons, night goggles and sophisticated communication systems that allowed them to ambush our own agents. The testimony alluded to a growing number of occurrences, already 70 this year, of similar incidences—armed assault on U.S. Border Patrol, targeted agents, assassination threats.

Senator MCCAIN is correct, the status quo is not working. I believe the correct response is to hear from the administration as they promised, to hold our public hearings, to air the various ideas and concepts, and then come forward in an organized, methodical manner and hear where we go in the future. Senator DODD and I agree completely that the status quo is unacceptable. We are just not quite on the same time line as to where we go from here.

I yield the floor.

Mr. DOMENICI. Mr. President, I am pleased to cosponsor Senator DODD'S amendment. The drug certification process is fatally flawed.

Mexico was fully certified even though 7 percent of the cocaine and 50 percent of the marijuana sold in the United States comes in through Mexico.

Colombia wasn't certified, neither were other rogue states even though their contribution to the drug supply is not prominent. Under this process, our diplomatic friends get certified as ''fully cooperating,'' and rogue nations do not regardless of whether a country is a major contributor to the supply of drugs in the United States or not.

I view the determination of which countries are cooperating as a law enforcement function, yet the State Department has prominent role in advising the President.

This sense of the Senate amendment calls for the suspension of the drug certification procedures for two years. It calls for high-level task force to develop a comprehensive program for addressing domestic and international drug trafficking and fashioning a multilateral framework for improving international cooperation.

It would put the Director of the National Drug Policy in charge of the task force.

The amendment calls for the President to persuade other heads of state from drug producing countries and major drug transporting countries to establish similar task forces.

Not later than 1 year after the date of enactment, the amendment calls for the President to convene an international summit.

We need a better tool than the certification process.

The new strategy has to focus on bringing the known traffickers to justice.

Last year, I offered an amendment to withhold foreign aid to Mexico until Mexico either brought to trial themselves or extradited the ten most wanted drug lords living in Mexico.

Two of the top ten are no longer heading up the big drug cartels.

Juan Garcia Abrego was convicted in Houston and sentenced to 11 life sentences.

Amador Carillo Fuentes, considered the wealthiest and most powerful drug baron died earlier this month. He was known as the ''lord of the skies'' because he owned a fleet of 727's which allowed him to transport drugs from Colombia to Mexico.

His headquarters were in Juarez, a little more than an hour away from New Mexico.

He died earlier this month, but this will not be the end of this cartel's influence and drug dealing.

We have to do something more effective in this area.

The new policy has to be primarily a law enforcement function.

Enhanced extradition has to be an important part of the new policy.

Comprehensive money laundering laws must be passed in all countries and officials must be trained to identify money laundering schemes and to enforce the laws.

Young people need to be educated about the dangers of drugs.

We can't solve this drug problem alone. We need international cooperation.

This amendment provides a framework for a better, more aggressive policy.

Mr. BAUCUS. Mr. President, I rise in support of the Dodd-McCain amendment.

For the past 11 years, we have experimented with the policy of ''certifying'' foreign countries as cooperating or failing to cooperate with our efforts against the international narcotics trafficking. That is a fair test for any policy. And it appears to me that the certification policy simply isn't working.

Many countries we have decertified—Burma, for example, or Afghanistan—now produce significantly more narcotics than they did before. Cocaine, heroin, and marijuana are at least as easy to find on our streets today as they were in 1986. It is clear that, at best,

our decertification of these countries did nothing to stop them and their mafia organizations from producing narcotics.

So certification has been an ineffective policy. And the Dodd-McCain amendment takes a sensible approach—it does not abolish certification, but suspends it while we try to work out a more effective approach. If there is nothing better out there, certification will go back into effect.

Finally, in my view, annual debates over whether to certify various foreign countries has distracted us from the more fundamental problems we face here at home. That is, enforcing the laws. Putting drug dealers in jail. Rehabilitating drug users when possible. And stopping kids from trying drugs in the first place. If we can do those things, the actions of foreign countries will still be important, but they will be secondary issues.

So I think Senator DODD and Senator MCCAIN have a good idea. We should take a second look at a policy that doesn't work very well. We should try and find a better one if we can. And we should get back to basics and solve our problems here at home.

Mr. President, I have a full statement on the underlying bill and the importance of keeping up on our commitment to Israel and the Middle East. I ask unanimous consent that it be printed in the RECORD at this time.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Texas.

Mrs. HUTCHISON. Madam President, I rise to speak on the Dodd-McCain amendment that will put this charade of certification aside and try something new in the war on drugs. I think, Madam President, all of us want the same result; we want to stop the illegal drugs from coming into our country. Today, 13 million Americans use illegal drugs; 1.5 million use cocaine, 600,000 use heroin, and 10 million use marijuana.

Madam President, it is coming in through Mexico. Twenty percent of the heroin, 70 percent of the marijuana in this country, and 50 to 70 percent of the cocaine comes in through Mexico. This is under the process we have now—certification—which is insulting, which does not have any positive consequences and, I submit, really only has negative consequences.

Madam President, how is the best way for us to attack the issue of illegal drugs coming in from Mexico? Is it to insult our neighbor? Is it to berate them? What does that give us? It gives us a hostile neighbor. Is that going to help? I hear people on this floor talking about Mexico as if it is 2,000 miles from our border. Madam President, Mexico is our border. We share family ties, we share a trade relationship, we share problems for both of our countries in illegal drug transit. It is bad for Mexico, it is bad for the United States. And I submit that we share friendship. We know Mexico is not doing enough; they know it. I have met with President Zedillo on this issue. I am convinced that he is trying to do everything he can. He is attacking this issue. Berating his country is not going to help the situation.

So I urge my colleagues to vote for the Dodd-McCain amendment. Let us try something new. Let us look for positive results in a partnership, not an adversarial relationship that cannot help us. It will not solve our problem and it could make worse problems on our border than we could ever foresee. Let's do something different; let's give it a chance. Thank you.

I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas, [Mr. GRAMM], is recognized.

Mr. GRAMM. Madam President, since 1986, we have had a policy called ''certification,'' whereby we stand in judgment of our neighbors as to whether they are in fact making the best effort they can make in helping us keep drugs out of our country and helping themselves prevent drugs from corrupting their country.

In the case of Mexico, we have declared through a Presidential certification, since 1986, for 11 years, that Mexico is making a full-faith effort, and every year for 11 years we have suspected that it was not so. For the first 10 years of this process, I kept hoping things would get better, hoping for the best, voting to certify something that we suspected was not true but hoped that it would become true. This year, I decided that maybe we should try something different and deny certification. The President decided to move ahead with certification.

The point I want to make is very simple: It can never be good public policy to put ourselves in a position where, in order to continue to work with our neighbors to try to keep drugs from coming into our country, we have to certify something that is not true. I think that, after 11 years, it has become clear that this process is not working. It puts us continually in a position of choosing whether to certify things that are not true. It seems to me that as a matter of national policy, just as well as a matter of personal policy, that can never be a good thing to do.

I don't know whether certification was ever a good policy or not. But I think that after 11 years, we know it does not work. And I think setting the process aside for 2 years, giving us an opportunity to try to figure out what we are going to do in terms of a permanent policy, is the right thing to do.

I agree with my colleague from Texas. If you want your neighbors to work with you, the worst thing you can do is slap them in the face.

We are under a procedure now that does not work. I think it is time to change it. The proposal before us is simply to set it aside for 2 years to figure out what we are going to do permanently. I think it is a reasonable proposal. I hope my colleagues agree.

Mr. MCCONNELL. Madam President, I have a unanimous consent request——

Mr. DODD. Will my colleague yield for 2 minutes before he makes that request?

Mr. MCCONNELL. Madam President, I yield the floor.

Mr. DODD. I thank the Senator.

Madam President, I have been listening for the last hour and a half, roughly, to all the argument against this amendment, except for my 2 colleagues from Texas, to whom I am grateful for making their case. I want to make the case on behalf of Senator MCCAIN and myself, and Senators DOMENICI, COCHRAN, DASCHLE, KERREY, WARNER, INOUYE, HUTCHISON, and others who have supported this amendment, the cosponsors of the amendment. We have had 11 years. We didn't come up with this overnight. We have had 11 years. We have now 12.8 million people using illegal drugs in this country; 1.5 million cocaine addicts; 600,000 heroin addicts. What do we want to do, wait another year, another 2 years? Do you want that number to be 13 million drug addicts in the country? How about a million heroin addicts? When do we stop?

The present system isn't working. We have decertified about 7 countries over the last several years. If anything, we have had less cooperation—Afghanistan, Burma, Iran, Syria, Colombia—and what do we get back from it? If this is working so well, are these countries cooperating today? No, we are not getting cooperation. All we are getting is a deluge of drugs pouring into the country.

So I don't disagree that maybe the certification may be the only answer. But how about for 24 months we try something else, after 11 years, and if we get nothing but an increase in supply, lower costs, and the problem becomes worse and worse and worse, why don't we try something else? That is all Senator MCCAIN and I are suggesting—for 24 months, suspend the certification process. Listen to General McCaffrey; he supports what we are trying to do here. He doesn't have a silver bullet either. But maybe, just maybe, we might come up with a better idea and do so in a sense of cooperation with nations we are going to have to have cooperation from if we are going to succeed.

So, Madam President, with all due respect, when I hear that this is coming sort of unannounced—and I listened today, as I was at those hearings as well, to those witnesses and I heard them as well. The situation is worse today than 6 months ago, a year ago, or two years ago, and it is getting worse. So how about trying something else, which is something we don't do terribly frequently around here; we stick with provisions and say you can't change them.

We represent 5 percent of the world's population and we consume over 50 percent of the illegal drugs in the world. Before we start lecturing everybody else, we ought to look in our own backyard and decide what we can do here at home as well.

For those reasons, I urge our colleagues to give us a chance, with this modest proposal, to try something different. As General McCaffrey said in his letter, and Sandy Berger at the National Security Council, this deserves an opportunity to be tried. I urge my colleagues to do that.

I ask unanimous consent that a letter from Barry McCaffrey to Senator MCCAIN and a letter from Samuel Berger to me be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG CONTROL POLICY,
Washington, DC, July 16, 1997.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Wanted to confirm that the Administration supports the Dodd-McCain legislation on international drug cooperation. Believe your thinking supports U.S. drug policy by recommending a mechanism that would allow us to make fundamental improvements in the way we cooperate with major drug producing and transit countries. At a minimum, your bill promises to remove a major cause of foreign policy friction, especially with Latin American and Caribbean countries. Timing for consideration of new ideas is fortunate because of the upcoming Summit of the Americas and heightened interest in multilateral counter-drug cooperation following the President's travel to Mexico, Central America and the Caribbean.

ONDCP is prepared to lead an interagency task force to develop a new strategy. We must build on our National Drug Control Strategy. We can accomplish the requirement to build a more effective concept for multi-national cooperation in the two years provided by your bill.

Although we would want to explore a number of options, elements of a new strategy might involve increased use of multilateral mechanisms and international organizations such as the OAS. We might also consider expansion of ad hoc arrangements for in-depth bilateral counter-drug cooperation with countries of particular interest such as Mexico. The Department of State and ONDCP are already formulating plans for a fall conference to develop new thinking along the lines of your proposal.

Thanks for your continued leadership on the drug issue.

Respectfully,

BARRY R. MCCAFFREY,
Director.

THE WHITE HOUSE,
Washington, DC, July 16, 1997.

Hon. CHRISTOPHER J. DODD,
U.S. Senate,
Washington, DC.

DEAR SENATOR DODD: I am writing to express the support of the Administration for the amendment that you and Senator McCain are proposing to S. 955, the Foreign Operations, Export Financing and Related Operations Appropriations Bill for FY '98.

We believe your amendment would allow the Administration to develop and implement a new multilateral strategy to stem the flow of illegal narcotics. We believe the passage of this amendment will lead to a more effective multilateral effort in the war against drugs.

I, therefore, urge the Senate to pass your and Senator McCain's amendment.

Sincerely,

SAMUEL R. BERGER,
Assistant to the President for National Security Affairs.

UNANIMOUS-CONSENT AGREEMENT

Mr. MCCONNELL. Madam President, let me say, before propounding this unanimous-consent request, we can see the light at the end of the tunnel. This unanimous-consent request has been cleared on both sides. We will have three votes beginning in about 10 minutes from now and that leaves very little left to do before final passage. So we are almost through.

Madam President, I ask unanimous consent that I now be recognized for up to 8 minutes for an explanation of the amendment on Cambodia, which is at the desk, and further, following that debate, the Senate proceed to vote on or in relation to the McConnell amendment No. 886, the one I will describe shortly, to be immediately followed by a vote on or in relation to the McConnell amendment No. 887, also about Cambodia, which I anticipate will be voice-voted, to be immediately followed by a vote on or in relation to the Allard amendment No. 891, to be immediately followed by a vote on or in relation to the Dodd amendment No. 901. I further ask consent that there be 2 minutes of debate equally divided prior to the remaining votes in the sequence. I finally ask unanimous consent that all votes in the sequence following the first vote be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. LEAHY. Madam President, before the Senator from Kentucky continues, I also ask unanimous consent that Greg May, a fellow in Senator FEINGOLD's office, be granted floor privileges for the remainder of the consideration of this bill.

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

Mr. LEAHY. Madam President, I join my friend from Kentucky and say that we do see light at the end of the tunnel. I urge Senators, if they really have something they feel is absolutely urgent for the good of the world and the Nation and their States and the Senate, and so forth, that they discuss it with the Senator from Kentucky and myself during these rollcall votes, so that we can wrap this bill up.

Mr. MCCONNELL. Madam President, I might say that, other than the Hutchinson amendment, I am not aware of any other votes that we will need before going to final passage.

When the subcommittee marked up this bill, the situation in Cambodia was grim. The Far Eastern Economic had labeled Phnom Penh, the Medellin on the Mekong. In a shocking series of stories, the Review described a nation's slide into corruption and the close collaboration between senior Cambodian officials and drug smugglers. Making matters worse, a senior officer said, ''Cambodia is now like Noriega in Panama. Nobody dares to speak out because they will be killed.''

Journalists who have called attention to the corruption and smuggling have been fined, jailed, and assassinated. Days after running a story detailing the criminal kingdom built up by a close associate of Hun Sen, the newspaper's editor was gunned down midday in downtown Phnom Penh.

However, this is not a situation which has just unraveled over the past month. This is a story which has unfolded over the past 2 years and unfortunately, U.S. Government officials and policy appear to have aided and abetted this sorry turn of events.

As the committee report notes, the evidence of corruption and political violence is not new. Democracy has been under attack for the past 2 years.

In testimony before the House International Relations Committee, the president of the International Republican Institute pointed out in 1995, tiring of his attacks on their corruption, Government officials engineered the ouster from the party and Parliament of Sam Rainsy. The testimony then went on to say the following:

> Building on their success in removing one vocal critic, the government has targeted up to six other parliamentary members for expulsion . . . the number of newspapers is declining by the month. Journalists are regularly harassed and beaten and several have been killed . . . The government has been largely successful in silencing all internal opposition and criticism.

Unfortunately, for the past 2 years as the problems mounted, the administration failed to use our assistance programs, strong ties, and close relationships to leverage reforms crucial to the country's survival.

A few short months ago, in testimony before the subcommittee, AID's administration compared Mongolia and Cambodia, citing both as democratic success stories. At the same time, the lives of opposition candidates were being threatened, Hen Sen was actively thwarting all efforts to appoint independent judges or create a commission to establish the framework for the planned 1998 elections.

When weeks of Mr. Atwood's testimony, 16 people were killed and another 120 wounded in a grenade attack on a public rally against corruption. Human rights organizations claimed this was a clear attempt to assassinate one of the Government's most vocal critics, Sam Rainsy.

As the political violence escalated, the administration continued to endorse Cambodia as a responsible candidate to join ASEAN. Evidence that narcotics traffickers were subsidizing the leadership was dismissed. In May, in the face of overwhelming evidence that drug related corruption tainted

the most senior leaders in government, Secretary Albright testified before the subcommittee, that ''we are very careful in the way we do the certification'' and expressed confidence that Cambodia deserved to be recognized as fully cooperating in our international counternarcotics efforts.

During his visit here this spring, Sam Rainsy, the critic who has been targeted by Hen Sen's henchmen, pleaded with the State Department to change course and move quickly to condition aid to his country—to take every step necessary to force Prince Ranariddh and Hen Sen back to the negotiation table—to make every effort to salvage what was left of his country's hope for democracy. He called attention to the increasingly public efforts both leaders were making to arm private militias—a sign, he warned of the civil conflict to come.

While the administration continued to talk of Cambodia's success, the committee listened to the Cambodians and international observers who urged action to stop the slide toward war. In response to the deteriorating situation, we reported out a bill which required the Secretary to certify that four conditions had been met prior to the release of any additional assistance. Specifically, she had to determine that the Government had taken steps to: First, end political violence and intimidation of opposition parties and members; second, establish an independent election commission; third, protect the rights of voters, candidates and election observers and participants by establishing laws which guaranteed freedom of speech and assembly; and fourth, eliminate all official corruption and collaboration with narcotics smugglers.

We had hoped that the Secretary would deliver a similar tough message during a planned June trip to Phnom Penh. Many of us held out the slim hope that she would be take on the important challenge of getting the two leaders to the table to work toward reconciliation and free and fair 1998 elections. I believe her planned visit represented the last window of opportunity to effect any change. Unfortunately, there were sufficient uncertainties about the outcome that prompted her advisors to recommend the visit be canceled—and with that, the window of opportunity slammed shut.

The rest, as they say, is history.

Since the coup, it is clear, the administration continues to be reluctant to challenge or confront Hun Sen. I think this is a serious mistake. It not only causes friends and allies to doubt our commitment to democracy, we risk further instability in a vital part of he world. If an interest in South East Asian stability does not persuade my colleagues of the merits of engagement, they might consider the need to see some good come out of the substantial bilateral and multilateral commitment we have supported which now exceeds $4 billion.

To address the changes which have occurred since the bill was reported from committee, I would now like to offer two amendments which modifies the two Cambodia-related sections in the bill. They are virtually identical but affect two different spending accounts. In each, I have added a new condition which prohibits aid to Cambodia unless there is a certification that the Government has not been installed by the use of force or a coup.

I understand that some of my colleagues believe there should be language linking aid to the restoration of a democratically elected government. In theory, I agree. However, given the fact that Hun Sen actually participated in the election, I believe the administration would continue on the wrong policy track and take advantage of such a provision and simply certify that an elected official was serving in office.

Prince Ranariddh must be restored to office and his party must be given the opportunity to actively and freely engage in the political process. But that will not happen unless the Administration takes the first basic step and acknowledges that he has been the victim of a bold, ruthless military coup. These amendments compel the administration to make that decision.

To address the changes which have occurred since the bill was reported, I have an amendment at the desk which adds a new condition banning aid until the Secretary certifies the government was not installed by force or coup.

AMENDMENTS NOS. 886 AND 887, AS MODIFIED

Mr. MCCONNELL. Madam President, I now send modifications to amendments 886 and 887, which are already at the desk, and ask that Senators KERREY of Nebraska and HAGEL be added as cosponsors.

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

The amendments will be so modified.

The amendments (Nos. 886 and 887), as modified, are as follows:

AMENDMENT NO. 886 AS MODIFIED

On page 11, line 14 strike all after the word ''Of'' through page 12, line 13, ending with the number ''1997.'' and insert in lieu thereof the following:

''None of the funds appropriated by this Act may be made available for activities or programs in Cambodia until the Secretary of State determines and reports to the Committees on Appropriations that the Government of Cambodia has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; (5) eliminated corruption and collaboration with narcotics smugglers and; (6) been elected in a free and fair democratic election: Provided, That the previous proviso shall not apply to humanitarian programs or other activities administered by nongovernmental organizations: Provided further, That 30 days after enactment of this Act, the Secretary of State, in consultation with the Director of the Federal Bureau of Investigations, shall report to the Committees on Appropriations on the results of the FBI investigation into the bombing attack in Phnom Penh on March 30, 1997.''

AMENDMENT NO. 887 AS MODIFIED

On page 96, line 20 strike all after the word ''Cambodia'' through page 97, line 2, ending with the word ''smugglers.'' and insert in lie thereof the following: ''has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; (5) eliminated corruption and collaboration with narcotics smugglers and; (6) been elected in a free and fair election.''

Mr. KERREY. Madam President, I am pleased to be a cosponsor along with Senator MCCONNELL and Senator LEAHY of amendments numbered 886 and 887 to S. 955, the foreign operations appropriations bill for fiscal year 1998. These amendments will prohibit the Government of Cambodia from receiving financial assistance from the United States until the political violence is ended, the human rights of Cambodians are respected, and either the former coalition government is restored or free and fair democratic elections take place. These amendments will also ensure that the United States will oppose aid offered by multilateral financial institutions to Cambodia until those same conditions are met.

The events of the past week in Cambodia have focused our attention again on a nation that has experienced tremendous suffering in the last 30 years. Twenty years ago, the murderous reign of Pol Pot and his Khmer Rouge began in Cambodia. The genocidal Khmer Rouge regime imprisoned thousands of its citizens and executed an estimated one million people or 20 to 30 percent of the populace. I had hoped that such horrors had ended for Cambodia. Unfortunately, last week political intimidation and violence again erupted in the capital of Phnom Penh, ending the rule of law and bringing chaos and uncertainty to the nation.

Recent press stories detailing the forced emigration and extrajudicial executions of opposition leaders highlight the gravity of the situation.

It would be easy to turn our backs to a nation with such a dark past. But the poor and terrifying history of Cambodia should not influence our decision on whether to stay involved in Cambodia. The nation and the people of Cambodia are important to our national interests. The United States must stay engaged and continue to work for democracy and the rule of law in Cambodia. In 1991 a significant agreement was signed in Paris between the political factions in Cambodia which brought the promise of elected government and democratic institutions. Under the auspices of the United Nations and observer nations, elections were held in Cambodia in 1993. The clear desire of the Cambodian people

for democracy was shown by the participation of ninety percent of the population in those elections. In the four years since those elections, the people of Cambodia have worked to preserve their fragile democracy and the rule of law. Cambodia may have suffered a setback in its efforts to build strong democratic institutions. But it is not without hope.

The United States should not abandon a people committed to the ideals of democracy and the rule of law. These amendments hold out the promise of renewed United States assistance to Cambodia once the political violence ends and an elected government takes power in Cambodia.

Until these conditions are met, this legislation allows humanitarian assistance to be sent to Cambodia, but only if it is administered through non-governmental organizations and not the Government of Cambodia.

It is my hope that the situation in Cambodia improves and our two nations can again work together to build a democratic Cambodia. If the coalition government is restored, these amendments permit the resumption of assistance to the Government of Cambodia. If elections are held in 1998 as planned, the United States may again provide assistance to a democratically elected government in Cambodia.

While we can play a major role, the United States alone cannot help bring democracy and the rule of law in Cambodia. I fully expect the Administration to continue to work with the Association of Southeast Asian Nations [ASEAN], the United Nations, and donor nations to improve the situation in Cambodia. Other nations such as Thailand and Japan have played a major role in promoting democratic ideals in that nation. The United States needs to work with these nations to return a democratically-elected government to Cambodia and promote the institutional reforms that will bring peace and prosperity to a people who so desperately need it.

AMENDMENT NO. 886, AS MODIFIED

Mr. McCONNELL. I ask for the yeas and nays on the MCCONNELL amendment No. 886.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Madam President, will the Senator yield a minute of his time?

The PRESIDING OFFICER. The Senator from Vermont.

Mr. McCONNELL. Yes. I yield such time as he may desire.

Mr. LEAHY. Madam President, I strongly support what the Senator from Kentucky wants to accomplish with his amendment on Cambodia. There has been a violent coup, if the press reports are accurate, and we have no reason to believe they are not. Members of the opposition have been assassinated. Leaders in the opposition have been murdered. This is a violent coup.

The amendment makes clear that assistance for nongovernmental organizations would be allowed to continue.

I want to make sure we don't inadvertently prevent aid from resuming if the democratically elected government is restored. But I have no doubt, in that kind of situation, that the Senator from Kentucky would want to make clear—or, if that occurred, would want to join with some of us to make clear—that such aid would continue. But this has been a very violent coup. Opposition people are being silenced or killed. And I support the intent of the amendment by the Senator from Kentucky.

Mr. McCONNELL. I thank my friend from Vermont.

Madam President, if I have any time, I yield it back.

The PRESIDING OFFICER. All time is yielded.

The question now occurs on amendment No. 886, as modified, offered by the Senator from Kentucky [Mr. MCCONNELL]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana [Mr. BURNS] is necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. BURNS] would vote ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

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

[Rollcall Vote No. 180 Leg.]

YEAS—99

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

NOT VOTING—1

Burns

The amendment (No. 886), as modified, was agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 887, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes for debate on amendment 887, as modified, offered by the Senator from Kentucky.

Mr. BYRD. Madam President, may we have order in the Senate? I cannot even see the Presiding Officer.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I hope that Senators will listen to the Chair.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I hope Senators will show respect to the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Madam President, this is an amendment previously discussed before the vote started. I am prepared to take a voice vote on it. It is noncontroversial and I think supported by my colleague.

Mr. LEAHY. I join with the distinguished Senator from Kentucky in that request.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 887), as modified, was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 891

The PRESIDING OFFICER. There now will be 2 minutes of debate on amendment No. 891 offered by the Senator from Colorado [Mr. ALLARD].

The Senator from Colorado is recognized.

Mr. ALLARD. Madam President, I thank you. In 1994, OPIC's lending authority for its insurance financing was last raised and has been frozen ever since. Since that time, the administration——

Mr. BYRD. Madam President, I do not know whether other Senators can hear or not. I cannot. May we have order.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order. The Senate will be in order. Senators will please cease their conversations or take their conversations to the Cloakrooms.

Mr. BYRD. Madam President, I thank the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. I thank the Chair.

In 1994, OPIC's lending authority for its insurance and financing was last raised and has been frozen since then. On the administrative cost side, we have seen a growth during that period, when their authority was limited, from $20 million to about $32 million. This amendment just takes the administrative cost back to the 1994 level. It is a

reduction of $11 million in administration. I ask for a yea vote.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Madam President, this in many ways would cut off our nose to spite our face.

I oppose this amendment but I see the Senator from Nebraska, who had spoken earlier, and I will yield to him.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. I thank the Chair.

I again say what I said this afternoon regarding my good friend and real neighbor next to me. His amendment I think at best is shortsighted. I came to this body with the background of a small businessman, Madam President. I know a little something about OPIC. I have marketed companies, built companies, that have worked around the world. I understand the importance of what OPIC is. This is an organization that, in fact, sends money back to the Treasury each year. This is an organization that creates jobs. It has a tremendous ripple effect all across this country. And as we are able to export American technology and products abroad, the support for all of those products comes from American companies in each of our States. I respectfully request that my colleagues vote against this amendment.

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

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announced that the Senator from Montana [Mr. BURNS] is necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. BURNS] would vote ''nay.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—35

Allard	Feingold	Lott
Ashcroft	Gramm	McCain
Brownback	Grams	Nickles
Bryan	Gregg	Reid
Coats	Helms	Roberts
Collins	Hollings	Sessions
Coverdell	Hutchinson	Smith (NH)
Craig	Hutchison	Thomas
D'Amato	Inhofe	Thompson
DeWine	Kempthorne	Wellstone
Dorgan	Kohl	Wyden
Faircloth	Kyl	

NAYS—64

Abraham	Cochran	Hagel
Akaka	Conrad	Harkin
Baucus	Daschle	Hatch
Bennett	Dodd	Inouye
Biden	Domenici	Jeffords
Bingaman	Durbin	Johnson
Bond	Enzi	Kennedy
Boxer	Feinstein	Kerrey
Breaux	Ford	Kerry
Bumpers	Frist	Landrieu
Byrd	Glenn	Lautenberg
Campbell	Gorton	Leahy
Chafee	Graham	Levin
Cleland	Grassley	Lieberman
Lugar	Reed	Snowe
Mack	Robb	Specter
McConnell	Rockefeller	Stevens
Mikulski	Roth	Thurmond
Moseley-Braun	Santorum	Torricelli
Moynihan	Sarbanes	Warner
Murkowski	Shelby	
Murray	Smith (OR)	

NOT VOTING—1

Burns

The amendment (No. 891) was rejected.

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

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

The motion to lay on the table was agreed to.

Mr. LEAHY. Madam President, the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate will be in order.

The Senator from Vermont.

Mr. LEAHY. I ask the Presiding Officer, what is the parliamentary situation?

AMENDMENT NO. 901

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes for debate equally divided on the Dodd amendment No. 901. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I am going to yield 30 seconds to my colleague from Arizona.

This amendment, offered by myself, Senator MCCAIN and many others, suspends for 24 months the voting on the certification process. All the reports are collected, but this is an opportunity, as General McCaffrey says in his letter endorsing this amendment, this gives us time to try something different. After 11 years, the problem has gotten worse. We need to try a different dynamic. This will give us 24 months to try it. We urge the adoption of the amendment.

I yield to my colleague from Arizona.

Mr. McCONNELL. Madam President, I yield 1 minute in opposition to the amendment to Senator COVERDELL.

The PRESIDING OFFICER. I believe the Senator from Arizona was recognized for 30 seconds.

The Senator from Georgia is recognized for 1 minute.

Mr. COVERDELL. Madam President, the certification process is not perfect. The Foreign Relations Committee has committed to hearings on this. That is the appropriate venue to discuss it. We should not suspend the process without the new place to go or the new system being in order. We send the wrong message at the wrong time, and I urge my colleagues not to suspend and leave no system in place.

Mr. DODD. I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS CONSENT REQUEST

Mr. LOTT. Madam President, I would like to see if we can get a unanimous consent agreement, and if we can, we can tell the Members we will not have any further votes tonight. I have discussed this with the distinguished Democratic leader. I do have one other amendment I have to put in the stack. We may work something out on it, but in case we cannot, we need to have the vote in the morning.

I ask unanimous consent that the vote occur on the Bingaman amendment No. 896 at 9:30 a.m.—let me modify that. Let's put that at 10 o'clock on Thursday—to be followed immediately by a vote on the HUTCHINSON amendment, to be followed immediately by third reading of the bill and final passage, all occurring without action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BINGAMAN. Madam President, I assume that we will have 2 minutes equally divided for debate on the amendment before voting?

Mr. LOTT. I amend the UC to make it clear to have, what has become customary, 2 minutes for a final explanation of what is in the amendment.

Mr. CHAFEE. Will these be 10-minute votes after the first one?

Mr. LOTT. Madam President, we intend to have 10-minute votes after the first vote.

The PRESIDING OFFICER. Is there objection?

Mr. TORRICELLI. Reserving the right to object.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Madam President, the Bingaman amendment would be a change in policy toward Cuba and we would have only 2 minutes to discuss that relative to its merits.

Mr. LOTT. There will be debate on that issue further tonight. The question was, would there only be 2 minutes for debate on the Bingaman-Graham amendment. I believe there would be further discussion on that.

Mr. McCONNELL. As long as Senators would like to discuss it.

Mr. LOTT. Tonight.

Mr. TORRICELLI. Would it be possible to ask, given the interest of many on this and the impact this would have on American policy toward Cuba, that we might, in this instance, ask for 5 minutes on each side to make our positions clear to Members before they vote?

Mr. LOTT. Madam President, I amend the UC to ask consent that we have 10 minutes equally divided on both the Bingaman amendment and the Hutchinson amendment if that time is required, with the debate on those to begin shortly after we come in at 9:30, and then the vote to begin at 10 a.m.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Madam President, I understand Senator SPECTER has a problem, and we will hear from him in a few minutes. He is apparently on his way.

Mr. LOTT. I didn't hear any objection.

I think it is unfortunate we are not going to be able to get a unanimous-consent agreement now. By not doing so, we may have a proliferation of amendments, and we may have to go on later tonight. We have really been working very well across the aisle to avoid this sort of problem, but I don't think we can resolve it right now.

So, we can proceed with this vote and see if we can work out an understanding as to how we will proceed later on tonight or in the morning, and we can try the unanimous consent request again after the vote. We cannot assure Senators at this point that there will be no further votes tonight.

Mr. DASCHLE. If the leader will yield, in the interest of accommodating a lot of our Senators who have made plans, could we at least give them assurance that between now and 9:30 there will be no votes tonight?

Mr. LOTT. If I could, I appreciate the Democratic leader's efforts. His effort has been about like mine—not too good yet.

[Laughter.]

Let's have the vote and work on this during the vote and try to get a UC after the vote.

I believe we have the yeas and nays on this amendment.

VOTE ON AMENDMENT NO. 901

The PRESIDING OFFICER (Mr. SMITH of Oregon). The question is on agreeing to the Dodd amendment No. 901. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana [Mr. BURNS] is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio [Mr. GLENN] is necessarily absent.

The result was announced—yeas 38, nays 60, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—38

Akaka	Hagel	Levin
Allard	Harkin	Lieberman
Baucus	Hollings	Lugar
Bryan	Hutchison	McCain
Chafee	Inouye	Mikulski
Cleland	Jeffords	Moynihan
Cochran	Johnson	Murray
Daschle	Kennedy	Robb
DeWine	Kerrey	Sarbanes
Dodd	Kohl	Stevens
Domenici	Kyl	Thompson
Gorton	Landrieu	Warner
Gramm	Leahy	

NAYS—60

Abraham	Byrd	Enzi
Ashcroft	Campbell	Faircloth
Bennett	Coats	Feingold
Biden	Collins	Feinstein
Bingaman	Conrad	Ford
Bond	Coverdell	Frist
Boxer	Craig	Graham
Breaux	D'Amato	Grams
Brownback	Dorgan	Grassley
Bumpers	Durbin	Gregg
Hatch	Moseley-Braun	Shelby
Helms	Murkowski	Smith (NH)
Hutchinson	Nickles	Smith (OR)
Inhofe	Reed	Snowe
Kempthorne	Reid	Specter
Kerry	Roberts	Thomas
Lautenberg	Rockefeller	Thurmond
Lott	Roth	Torricelli
Mack	Santorum	Wellstone
McConnell	Sessions	Wyden

NOT VOTING—2

Burns	Glenn

The amendment (No. 901) was rejected.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENTS

Mr. LOTT. Mr. President, I ask unanimous consent that the vote occur on or in relation to the Bingaman amendment No. 896 at 10 a.m. on Thursday, to be followed immediately by a vote on or in relation to the Hutchinson amendment No. 890, to be followed by third reading of the bill and final passage occur all without further debate or action.

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

Mr. LOTT. I further ask there be 10 minutes equally divided for debate relative to the Bingaman and Hutchinson amendments prior to each vote with respect to the amendments that are pending.

Mr. LEAHY. Reserving the right to object, does the leader also intend to ask unanimous consent to vitiate the yeas and nays that have been ordered on the underlying amendment, or ask to have it withdrawn?

AMENDMENT NO. 900, WITHDRAWN

Mr. LOTT. Mr. President, I ask unanimous consent that the Dodd amendment be withdrawn.

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

The amendment (No. 900) was withdrawn.

Mr. LOTT. I further ask that when the Senate receives the House companion bill, the Senate immediately proceed to its consideration and all after the enacting clause be stricken, the text of S. 955, as amended, be inserted in lieu thereof, the bill be read for a third time and passed and the Senate insist on its amendment, request a conference with the House on the disagreeing votes and the Chair be authorized to appoint conferees on the part of the Senate.

Mr. McCONNELL. Mr. President, reserving the right to object, as I understand this agreement, it does not prevent us from going ahead and facilitating the passage of some agreed-to amendments this evening. There are two Senators here with amendments.

Mr. LOTT. It does not in any way prevent that.

Mr. BYRD. Reserving the right to object, I don't expect to object, what is S. 955?

Mr. LOTT. The foreign ops bill.

Mr. BYRD. I have no objection.

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

Mr. LOTT. There will be no further votes this evening. The next votes will occur at 10 a.m. on Thursday.

I yield the floor.

AMENDMENT NO. 902

(Purpose: To express the sense of the Senate on the European Commission's handling of the Boeing McDonnell Douglas merger)

Mr. GORTON. Mr. President, I have an unprinted amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] for himself, Mrs. FEINSTEIN, Mrs. MURRAY, and Mrs. BOXER, proposes an amendment numbered 902.

Mr. GORTON. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

The Boeing Company and McDonnell Douglas have announced their merger; and

The Department of Defense has approved that merger as consistent with the national security of the United States; and

The Federal Trade Commission has found that merger not to violate the anti-trust laws of the United States; and

The European Commission has consistently criticized and threatened the merger before, during and after its consideration of the facts; and

The sole true reason for the European Commission's criticism and imminent disapproval of the merger is to gain an unfair competitive advantage for Airbus, a government owned aircraft manufacturer;

Now therefore, It is the Sense of the Senate that any such disapproval on the part of the European Commission would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

The Senate suggests that the President take such actions as he deems appropriate to protect U.S. interests in connection therewith.

Mr. GORTON. I ask unanimous consent Senators MURRAY and BOXER be added as cosponsors of the amendment.

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

Mr. GORTON. Mr. President, this is a last-minute amendment and I greatly appreciate the indulgence of the managers, but it is of vital importance. It now is increasingly evident, overwhelmingly evident, that the European Commission is going to attempt to reject the Boeing-McDonnell Douglas mergers in spite of the fact that the Department of Defense feels this is a significant step forward for our national defense, in spite of the fact the Federal Trade Commission has not determined there are any trade violations in connection therewith.

That decision on the part of the European Commission seems to have been made in the absence of any evidence

and before any evidence was submitted to it and solely on behalf of creating a competitive advantage for Airbus. If it should hold, it will have a seriously adverse impact on employment in the United States, particularly with the Douglas portion of McDonnell Douglas, which could not survive unaided or unmerged.

This resolution simply states those facts and states that any such disapproval would be an unwarranted and unprecedented interference in a business decision appropriately made in the United States and suggests to the President he take such actions as he deems necessary under the circumstances.

I will make more extensive remarks on this issue sometime tomorrow, but I appreciate the support of my colleagues on a matter of great importance to employees in many States throughout the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 902) was agreed to.

Mr. GORTON. I move to reconsider the vote.

Mr. MCCONNELL. I move to lay it on the table.

AMENDMENT NO. 898

Mr. SPECTER. Mr. President, I send an amendment numbered 898 to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr SPECTER] proposes an amendment numbered 898.

Mr. SPECTER. 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 in the bill, insert the following:

SEC. . RESTRICTION ON ASSISTANCE MADE TO THE PALESTINIAN AUTHORITY.

None of the funds appropriated or otherwise made available by this Act may be obligated or expended with respect to providing funds to the Palestinian Authority, unless the President certifies to Congress that:

(1) the Palestinian Authority is using its maximum efforts to combat terrorism, and, in accordance with the Oslo Accords, has ceased the use of violence, threat of violence, or incitement to violence as a tool of the Palestinian Authority's policy toward Israel;

(2) after a full investigation by the Department of Justice, the Executive branch of Government concludes that Chairman Arafat had no prior knowledge of the World Trade Center bombing; and

(3) after a full inquiry by the Department of State, the Executive branch of Government concludes that Chairman Arafat did not authorize and did not fail to use his authority to prevent the Tel Aviv cafe bombing of March 21, 1997.

Mr. SPECTER. Mr. President, this amendment provides that none of the funds appropriated or otherwise made available to the Palestinian Authority shall be paid over to the Palestinian Authority unless the President certifies to the Congress, first, that the Palestinian Authority is using its maximum efforts to combat terrorism in accordance with the Oslo accords, has ceased the violence or threat of violence or incitement of violence as a tool of the Palestinian Authority.

Second, after full investigation by the Department of Justice, the executive branch of Government concludes that Chairman Arafat had no prior knowledge of the World Trade Center bombing.

Third, after a full inquiry to the Department of State, the executive branch of Government concludes that Chairman Arafat did not authorize and did not fail to use his authority to prevent the Tel Aviv cafe bombing of March 21, 1997.

Mr. President, this amendment would not impact upon the expenditures of U.S. funds for projects like water authorities or other projects which go to the people who are now directed to receive these funds, but to articulate with precision, would only involve the moneys which would be paid to the Palestinian Authority.

It may well be that there is no intent to pay money now in the pipeline for the Palestinian Authority, but I must say, Mr. President, that after making substantial efforts to find out exactly what is going on in the administration, I have been unable to make that determination. But whether or not there is an intent by the administration not to pay money in the pipeline to the Palestinian Authority, it is my view that this amendment is necessary as a matter of policy.

With respect to the issue of Chairman Arafat's knowledge of the Trade Center bombing, a report has been made by Deputy Education Minister Moshe Peled of Israel that Arafat had prior knowledge of the bombing of the Trade Center in New York City in 1993.

I have asked the Department of Justice, Mr. President, to conduct an investigation to determine whether or not that is true.

I ask unanimous consent the correspondence be printed in the RECORD at the conclusion of my statement as if read in full.

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

(See exhibit 1.)

EXHIBIT 1

Mr. SPECTER. The essence of the matter is that this issue has been raised by a responsible Israeli official, and if Arafat in fact had prior knowledge of the bombing of the Trade Center, he may well be an accessory before the fact, or a coconspirator, and if that is so, he would be extraditable to the United States under provisions of our terrorist legislation passed in 1984 and 1986.

It is simply unsatisfactory and intolerable to have that issue outstanding and be providing funding for the Palestinian Authority.

The issue has also been raised on the bombing of the Tel Aviv cafe on March 21, 1997, as to whether Chairman Arafat and the PLO made a maximum effort to stop that kind of terrorism. Immediately after the bombing, Israeli Prime Minister Netanyahu said that Arafat gave a green light to that bombing. When Secretary of State Madeleine Albright appeared before the Foreign Operations Subcommittee in our hearing this spring, she responded that Arafat had not given a green light, but neither had he given a red light. Under the provisions of the amendment introduced by Senator SHELBY and myself, Arafat has an absolute obligation, along with the PLO, to make the maximum effort to fight terrorism.

I have written to Secretary Albright on this subject, and I ask unanimous consent that a copy of my letter be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

EXHIBIT 2

Mr. SPECTER. It is unsatisfactory, Mr. President, if Arafat did anything but put down a red light to stop the bombing of the Tel Aviv cafe which killed three Israelis and wounded dozens more, estimated to be approximately 40 other Israelis. There ought to be absolutely no doubt that if any funding is to come from the U.S. taxpayers to the Palestinian Authority, there be a certification by the President, based on evidence that Yasser Arafat was not a party to, did not know about, was not an accessory before the fact, or a coconspirator on the bombing of the Trade Center in 1993 and he, in fact, made the maximum effort which would require a red light on the bombing of the Tel Aviv restaurant.

It is my understanding, Mr. President, this amendment is acceptable to both managers of the bill.

EXHIBIT 1

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, April 29, 1997.

Hon. ARLEN SPECTER,
U.S. Senate,
Washington, DC.

DEAR SENATOR SPECTER: This is in response to your letter to the Attorney General dated April 1, 1997. Your letter encloses a news article from The Jerusalem Post in which it is reported that Yasser Arafat may have had prior knowledge of the bombing of the World Trade Center building on February 26, 1993.

Aside from the news report enclosed with your letter, the Department of Justice is unaware of any information that Yasser Arafat either had prior knowledge of the bombing of the World Trade Center or was in any way involved in the conspiracy to bomb the building. We have queried the Israeli authorities about this information and they deny the accuracy of the statements attributed in the article to the Deputy Education Minister.

I hope this information is helpful. If we can be of further assistance with regard to this or any other matter, please do not hesitate to contact this office.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 14, 1997.

Hon. JANET RENO,
Attorney General,
Department of Justice,
Washington, DC.

DEAR ATTORNEY GENERAL RENO: By letter dated April 1, 1997, (copy enclosed) I wrote to you concerning Israeli Deputy Education Minister Moshe Peled's statement that Palestinian Authority Chairman Yasser Arafat had prior knowledge of the 1993 plot to bomb New York City's World Trade Center.

By letter dated April 29 (copy enclosed) Assistant Attorney General Andrew Fois responded with a very generalized statement about having ''queried the Israeli authorities.'' No mention was made whether the Department of Justice talked to Deputy Education Minister Moshe Peled or did any real pursuit on the matter.

Since I do not speak Hebrew, my assistant, David Brog, Esquire, talked to Mr. Peled. Mr. Peled said that he was not prepared to disclose any more information on Chairman Arafat's connection in the World Trade Center bombing beyond what he told the Jerusalem Post. Mr. Brog said that Mr. Peled was not flexible on this point and that he (Mr. Brog) had the impression that Mr. Peled had gotten into some trouble for his previous disclosure.

I am interested to know whether the Department of Justice talked to Mr. Peled before Mr. Fois's letter to me of April 29. If so, what he said. If not, why wasn't Mr. Peled questioned.

I considered this an extremely serious matter. As you know, Chairman Arafat could be extradited to the United States if there is evidence to support Mr. Peled's charge.

I formally request the Department of Justice to conduct a real investigation on this matter.

Sincerely,

ARLEN SPECTER.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, April 1, 1997.

Hon. JANET RENO,
Attorney General,
Department of Justice,
Washington, DC.

DEAR ATTORNEY GENERAL RENO: Just yesterday I saw a news report that Israeli intelligence has evidence that Palestinian Authority Chairman Yasser Arafat had prior knowledge of the 1993 plot to bomb New York City's World Trade Center which killed six people.

That news report quoted Deputy Education Minister Moshe Peled stating:

''More than that, he [referring to Arafat] was part of the discussions on the operation.''

The news report further said that Arafat was privy to the conspiracy and met with Sudanese and Islamic terrorist leaders.

With this letter, I am enclosing for you a photostatic copy of the news report from the Jerusalem Post on March 26.

I would very much appreciate it if you would conduct the appropriate investigation to determine what evidence exists, if any, of Arafat's complicity in this matter.

It appears to me that, if true, Arafat would be prosecutable under U.S. criminal laws. I would appreciate your advice as to what indictments could be brought as to Chairman Arafat.

Thank you for your consideration of this request.

Sincerely,

ARLEN SPECTER.

EXHIBIT 2

U.S. SENATE,
Washington, DC, March 25, 1997.

Hon. MADELEINE ALBRIGHT,
Secretary of State,
Washington, DC.

DEAR SECRETARY ALBRIGHT: According to the weekend press reports, Israeli Prime Minister Benjamin Netanyahu has stated that Palestinian Chairman Yassir Arafat has indirectly given a green light to the terrorists resulting in the suicide bomb which killed and wounded many Israelis last Friday.

According to the news reports, Chairman Arafat and the Palestinian authority released Ibrahim Maqadmeh. Prime Minister Netanyahu further stated that Chairman Arafat and the Palestinian authority have failed to detain known terrorists and to confiscate weaponry.

In my judgment, it is very important for the State Department to make a factual determination as to whether Chairman Arafat and the Palestinian authority did give a green light indirectly to the terrorists and whether there was a failure to detain known terrorists and to confiscate weaponry.

I would appreciate your advice, as promptly as possible, on your Department's conclusion as to whether Chairman Arafat and the Palestinian authority gave an indirect green light to the terrorists.

As you know, an amendment offered by Senator Shelby and myself to the Middle East Peace Facilitation Act of 1995 conditions the $500 million in U.S. aid to the Palestinian authority on presidential certification that the Palestinian authority is complying with all of its commitments under its peace accords with Israel, including its commitment to prevent acts of terrorism and undertake ''legal measures against terrorists, including the arrest and prosecution of individuals suspected of perpetrating acts of violence and terror.''

The Senate Appropriations Subcommittee on Foreign Operations, on which I sit, will soon be considering this issue for fiscal year 1998 so I would appreciate your prompt response.

In addition, I would appreciate your advising me as to whether there is any U.S. aid in the pipeline which has not yet been turned over to the Palestinian authority. If so, I request that such payments be withheld until the determination as to whether the Palestinian authority is complying with the Specter-Shelby amendment.

Sincerely,

ARLEN SPECTER.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 898) was agreed to.

Mr. SPECTER. I move to reconsider the vote.

Mr. BENNETT. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, we have passed, have we, the amendment of the distinguished Senator from Washington [Mr. GORTON]?

The PRESIDING OFFICER. We agreed to the amendment.

Mr. LEAHY. Did that show the other distinguished Senator from Washington as a cosponsor?

The PRESIDING OFFICER. That is correct.

EGYPT

Mr. WYDEN. Mr. President, the hour is late, and I know a number of our colleagues, Senator DEWINE in particular, has been very gracious or anxious to discuss some important issues.

I just rise for a few moments to discuss the role of Egypt in the Middle East process. I think we all understand the dream of peace in the Middle East is going to take courage, patience and commitment from all of the countries in the region. Unfortunately, Egypt, the second largest recipient of U.S. aid, has taken a number of actions of late which seem more likely to undermine the peace that grew out of Anwar Sadat's courageous decision to go to Israel.

I rise, therefore, with several other colleagues, questioning several of these actions by Egypt, a long-time recipient of substantial amounts of U.S. foreign assistance. These actions, in my view, raise serious questions, especially when they seem to contradict U.S. efforts to secure a lasting peace in the Middle East. Specifically, I am troubled by Egypt hosting an Arab League summit in Cairo earlier this year in which Egypt supported the renewal of the Arab League boycott of Israel. This represents a clear violation of the Israeli-Egyptian peace treaty. U.S. policy has long sought to end the boycott. Yet, in this situation there is a recipient of U.S. aid that supports it. I am also troubled that Egypt has emerged as Libyan Leader Qadhafi's most important advocate internationally.

Egyptian President Mubarak has publicly stated that Egypt does not produce chemical weapons, that Libya does not produce chemical weapons. He has advocated easing United States sanctions on Libya, and he has violated the U.N. ban on air travel by allowing Qadhafi to fly to the Arab summit in Cairo.

What is particularly of distress to this Senator is President Mubarak was the only leader to decline President Clinton's invitation to attend an October Middle East summit in Washington to revise the peace process and to end ongoing violence.

Most recently, Mr. President, and colleagues, we have seen some efforts by top Egyptian officials to take actions to reinvigorate the peace negotiations. I am very hopeful that those recent actions will be a signal that Egypt intends to play a more constructive role in the days ahead, in terms of producing a lasting peace. I have been especially pleased to see the strong, bipartisan support here in the Senate for the Middle East process, and for the good work begun in Oslo, and I am very hopeful that Egypt will see that there is strong concern right now in the United States Senate about a number of their actions of late and that the Congress will be monitoring those actions carefully.

Mr. President, I yield the floor.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 903

(Purpose: To limit assistance for Haiti unless certain conditions are satisfied)

Mr. DEWINE. 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 Ohio [Mr. DEWINE] proposes an amendment numbered 903.

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

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

The amendment is as follows:

On page 10, line 4, strike ''Institute.'' and insert ''Institute: *Provided further,* That of the funds made available under this heading for Haiti, up to $250,000 may be made available to support a program to assist Haitian children in orphanages.''.

On page 18, line 2, before the period insert the following: '': *Provided further,* That of the amount appropriated under this heading, not less than $500,000 shall be available only for the Special Investigative Unit (SIU) of the Haitian National Police''.

On page 93, strike lines 7 through 24 and insert the following:

LIMITATION ON ASSISTANCE FOR HAITI

SEC. . (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be provided to the Government of Haiti unless the President reports to Congress that the Government of Haiti—

(1) is conducting thorough investigations of extrajudicial and political killings;

(2) is cooperating with United States authorities in the investigations of political and extrajudicial killings;

(3) has made demonstrable progress in privatizing major governmental parastatals, including demonstrable progress toward the material and legal transfer of ownership of such parastatals; and

(4) has taken action to remove from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights.

(b) EXCEPTIONS.—The limitation in subsection (a) does not apply to the provision of humanitarian, electoral, counter narcotics, or development assistance.

(c) WAIVER.—The President may waive the requirements of this section on a semiannual basis if the President determines and certifies to the appropriate committees of Congress that such waiver is in the national interest of the United States.

(d) PARASTATALS DEFINED.—As used in this section, the term ''parastatal'' means a government-owned enterprise.

Mr. DEWINE. Mr. President, my amendment is an attempt to strengthen our aid program to the troubled republic island of Haiti. It would help make sure that United States assistance is properly targeted, so it can be more readily effective in areas vital to United States interests.

Mr. President, my amendment does three things. No. 1, it provides up to $250,000 for a program to assist Haitian children currently in orphanages. Today, Mr. President, Catholic Relief Services [CRS], and the Adventist Development and Relief Agency [ADRA] support thousands of Haitian children. They basically administer AID Food. There are thousands of children who are receiving one meal a day because of AID assistance that is administered through both CRS and the ADRA. It is vitally important that this assistance continue.

Mr. President, my amendment does not deal directly with this food. What it does deal with is the bigger problem of the orphanages of Haiti. I have had the opportunity to visit at least 12 of these orphanages in Haiti over the last few months. There are at least 70 such orphanages just in the Port-au-Prince area alone, containing thousands of children. It is something to see and something to behold to see the work that is being done. These orphanages would break a person's heart, and does, when you see the children who are there. This amendment sets aside a relatively small amount of money to look at this problem from the long range.

Frankly, Mr. President, due to lack of resources the orphanages in Haiti cannot take in many of the needy children. This amendment would provide much-needed resources to help alleviate the demand on these orphanages, by helping take care of the children in other ways.

Clearly, what these children need, in the final analysis, is not just temporary shelter, but permanent placement in safe, stable homes where they can count on food and clothing. The funds provided by this amendment would help make that permanent home a reality for more of Haiti's children. It would do this by bringing about some coordination among the orphanages and coordination with respect to our AID mission.

Mr. President, the second part of our amendment would specify that no less than $500,000 be made available, and made available only for the Special Investigation Unit, the SIU, of the Haitian national police.

Mr. President, in my visits to Haiti I have talked with members of the SIU, and I talked with the American contract officer who is down there assisting the SIU unit. One of the things that we have observed and that this country has promoted in emerging democracies is the belief that if a country is to emerge as a democracy, whether it be Haiti, whether it be Bosnia, wherever in the world, that the country has to turn its back on its past and has to stop tolerating political murders, political killings, political crimes, whether they occur from the left or from the right. The SIU unit has a very specific task. Its task is to target these political murderers, to bring them to justice, and to see that they are successfully tried. By doing that, and only by doing that, Mr. President, can we effectively see justice in these emerging democracies. And only by doing this can the people of the country understand that democracy not only means free elections, but democracy also means justice, and these days of political killings must be over.

It is important, Mr. President, that support for the SIU investigations continue as investigators build compelling cases against those who have used brutal force to achieve, in the past, political goals.

Mr. President, over 80 extrajudicial and political killing cases have been assigned to the SIU by the Government of Haiti. The Government has requested that close to two dozen of those cases be investigated on a ''priority basis.'' However, sadly, not enough progress has been made on these high-profile political murder cases. In fact, to date, none of the cases have been successfully prosecuted.

Mr. President, the SIU is being integrated slowly into the newly formed judicial police and is receiving more and more political support, and support from the Haitian people. The people of Haiti want to turn the corner on their long history of political violence. Continued assistance and targeted assistance to the SIU would strengthen Haiti and strengthen United States-Haiti relations as well.

No. 3, and probably most important. This amendment would limit assistance to Haiti, unless four conditions are met:

Funds are made available if the President reports to Congress that the Government of Haiti, No. 1, is conducting thorough investigations of extrajudicial and political killings; No. 2, is cooperating with the United States authorities on this matter; No. 3, has made progress in privatizing major Government-owned enterprises, including progress toward the material and legal transfer of ownership of these enterprises; finally, No. 4, that the government is taking action to remove from the Haitian national police, and from related agencies, individuals who are alleged, credibly alleged, to have engaged in or conspired to conceal gross human rights violations.

Now, Mr. President, in essence, my amendment is designed to make clear that Congress does not intend United States assistance to Haiti to be viewed as unconditional. In fact, the first two conditions that I have just mentioned were already imposed by Congress in the form of an amendment sponsored by our distinguished colleague, former majority leader of the U.S. Senate, Senator Bob Dole. By adding the new third and fourth conditions, this amendment strengthens the Dole amendment that currently governs our policy toward Haiti.

Now, the limitations I propose will not apply to the provision of humanitarian, electoral, counternarcotics, or developmental assistance, and it does, as the Dole amendment does, contain a ''national interest'' presidential waiver.

Mr. President, the amendment currently in force which limits assistance to Haiti, the Dole amendment, has been waived four times over the last two years by this administration.

I believe the conclusion is clear. To make sure United States interests in Haiti are protected, that amendment

needs to be strengthened. That is the purpose of this amendment that I am offering today.

Mr. President, Haiti is now in the midst of a political crisis. The resignation of Prime Minister Rosny Smarth on June 9 has laid bare a very serious problem of leadership. For a number of reasons, which include the political prominence of former President Aristide, the current President, President Preval—despite some truly heroic efforts—has not yet been able to effectively promote economic reform.

Mr. President, if this crisis is not met successfully, it could pose a real threat to United States policy interests and to the overall investment the United States has made in Haiti since our deployment of troops beginning in September 1994. In my view, Mr. President, if President Preval is given the space to govern, there is no reason to believe he will not make the necessary reforms—as he did previously in promoting fiscal austerity over the last 16 months.

Mr. President, we want to help President Preval find that space to govern. That is one major purpose of the amendment that I am proposing.

In conclusion, Mr. President, we as a nation cannot afford to wash our hands of a country in which we have made such a sizable investment. The amendment I am proposing today would make our aid more effective and would help the forces in Haiti that are fighting the uphill battle for genuine reform.

Mr. President, I request a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 903) was agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

FULL FUNDING FOR THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. JEFFORDS. Mr. President, today I voice my support for meeting U.S. commitments to the International Development Association [IDA] by fully funding replenishment to IDA–10 and IDA–11.

The International Development Association was established in 1960 to lend to the poorest and least creditworthy developing countries on confessional terms. Only countries with a per capita income below $905 with limited or no ability to borrow on market terms and a record of using IDA resources effectively are eligible. Currently, 79 counties meet IDA's loan criteria—55 percent of the world's population. Twenty countries have graduated from IDA. Very notably, three of these graduate countries—Botswana, Korea, and Turkey—are now IDA donors. This is a solid rate of success.

IDA provides development assistance to poor countries through loans, rather than grants. Loans must be repaid in full. IDA funds come largely from contributions of 35 donor countries negotiated in general replenishment. Increasingly, repayments of past IDA loans are supplementing IDA income. As a result, the U.S. share of contributions to IDA has decreased by 20 percent since it was established in 1960.

The administration's request of $1.035 billion for IDA is divided into two parts: $235 million to meet U.S. payments to IDA's 10th replenishment and $800 million for the first of two U.S. payments for IDA–11. The subcommittee recommends $950 million in funding for IDA for fiscal year 1998. This would fully fund the first U.S. payment for IDA–11 but not fully meet payment owned for IDA–10. I support increasing the appropriation for IDA by $84.5 million to fund both replenishments in full.

I appreciate the work that the subcommittee has done to address a major concern associated with IDA: Restrictions on U.S. procurement opportunities imposed by the Interim Trust Fund [ITF]. The ITF was created by donors who did not want to disrupt IDA's operations by leaving a 1-year gap in new funding when the U.S. budget situation precluded us from meeting commitments to both IDA–11 and IDA–10. At that time, controversy emerged over the terms of the ITF which limited decisionmaking and procurement to contributing countries only. As a result, U.S. officials and businesses were excluded from participating in projects financed by the $3.3 million fund. Last year, the Foreign Operations appropriations bill contained a provision that required the administration to work with other donors to modify procurement restrictions. The administration has negotiated an agreement with the ITF whereby $1 billion, or about one-third, of projects financed by the trust fund have not yet been completed. Full funding of IDA–10 and IDA–11 will allow U.S. firms to bid on these contracts. The Foreign Operations Subcommittee's efforts on the matter of U.S. procurement are commendable.

SECTION 569

Mr. GRAHAM. Mr. President, I would like to engage in a colloquy with the distinguished ranking member, Mr. LEAHY, regarding the meaning and intent of a provision in this bill, section 569. This involves a matter of great importance to my colleague Mr. LEAHY and myself—human rights. I commend my colleague for his leadership on this important issue.

I share your concern that U.S. foreign assistance funds not be used by perpetrators of gross violations of human rights. I also share your interest in ensuring that perpetrators of such crimes are brought to justice. To this end, section 569 of this act prevents funds made available under this act from being provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence to believe a member of such unit has committed gross violations of human rights. Would the Chairman agree that this provision only applies to units of the security forces of a foreign country that currently have members against whom we have credible evidence of gross violations of human rights.

Mr. LEAHY. That is correct.

Mr. GRAHAM. So that if a unit was believed to have had, at some time in the past, a person against whom we have credible evidence of human rights abuses, but that no such person currently is a member of such a unit, that unit would be eligible to receive assistance under this act?

Mr. LEAHY. That is correct.

Mr. GRAHAM. I thank my colleague, the Senator from Vermont, and I look forward to working with him on this matter in the future.

Ms. MIKULSKI. Mr. President, I would like to engage in a colloquy with the distinguished ranking member of the Foreign Operations Subcommittee.

It is my understanding that the foreign operations bill for fiscal year 1998, S. 955, includes an increase of $30 million to combat infectious diseases such as TB, malaria, dengue fever, and the ebola virus.

It has been brought to my attention that the Gorgas Memorial Institute is developing an innovative regional TB control initiative designed to address major issues in reducing the global TB epidemic through training and new approaches to disease control. I believe the work done at the institute would fit well with the priorities outlined by the committee.

Would the ranking member join me in urging the Agency for International Development to provide funding for this initiative?

Mr. LEAHY. This initiative sounds like the kind of initiative the committee wanted to consider supporting in providing these funds and I would encourage AID to give full and fair consideration of the Gorgas Institute's proposal.

NAGORNO KARABAGH

Ms. MIKULSKI Mr. President, I would like to engage the ranking member of the Foreign Operations Subcommittee in a colloquy regarding humanitarian assistance to Nagorno Karabagh.

The conflict in Nagorno Karabagh has cost over 15,000 lives and has created severe economic hardship and deprivation. In Nagorno Karabagh there are thousands of land mines directly threatening lives and stifling agricultural production. There is a severe shortage of medicines and vaccines. This shortage has made it difficult to treat and prevent intestinal and acute respiratory infectious diseases in children. The Azerbaijani and Turkish blockades have substantially worsened these problems.

The U.S. Agency for International Development and the United Nations provide humanitarian aid to Armenia and Azerbaijan—but this aid does not get to the people of Nagorno Karabagh.

Nongovernmental organizations do provide a small amount of humanitarian assistance to the people of Nagorno Karabagh, but these programs receive no funding from USAID.

I strongly believe that the United States should provide funds to nongovernmental organizations to provide aid to all areas of conflict in the Caucasus—including Nagorno Karabagh. Politically based discrimination against providing humanitarian assistance to particular categories of recipients is against our values—and is inconsistent with America's long-term foreign policy goals.

Mr. President, few people have done more to provide aid to people in need than the Senator from Vermont. I would like to ask him if he will continue to work with me to remove any constraints in providing humanitarian aid to the people of Nagorno Karabagh?

Mr. LEAHY. I appreciate the Senator's position. I strongly support the principle of delivering humanitarian aid to those in need in the Caucasus and will work with her in the conference to try to ensure that these needs are met.

Mr. DOMENICI. Mr. President, the Senate is now considering S. 955, the foreign operations and export financing appropriations bill for fiscal year 1998.

The Senate bill provides $16.8 billion in budget authority and $5.1 billion in new outlays to operate the programs of the Department of State, Export and Military Assistance, Bilateral and Multilateral Economic Assistance, and Related Agencies for fiscal year 1997.

When outlays from prior year budget authority and other completed actions are taken into account, the bill totals $16.8 billion in budget authority and $13.1 billion in outlays for fiscal year 1998.

The subcommittee is at its section 602(b) allocation for budget authority and outlays.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of this bill be inserted in the RECORD at this point.

I urge the adoption of the bill.

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

S. 955, FOREIGN OPERATIONS APPROPRIATIONS, 1998, SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1998, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
Senate-reported bill:					
Budget authority		16,721		44	16,765
Outlays		13,083		44	13,127
Senate 602(b) allocation:					
Budget authority		16,721		44	16,765
Outlays		13,083		44	13,127
President's request:					
Budget authority		16,844		44	16,888
Outlays		13,171		44	13,215
House-passed bill:					
Budget authority					
Outlays					
SENATE-REPORTED BILL COMPARED TO—					
Senate 602(b) allocation:					
Budget authority					
Outlays					
President's request:					
Budget authority		(123)			(123)
Outlays		(88)			(88)

S. 955, FOREIGN OPERATIONS APPROPRIATIONS, 1998, SPENDING COMPARISONS—SENATE-REPORTED BILL—Continued

[Fiscal year 1998, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
House-passed bill:					
Budget authority		16,721		44	16,765
Outlays		13,083		44	13,127

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

SECTION 571

Mr. CHAFEE. Mr. President, I am pleased that this bill has come to the Senate floor, and commend the Senator from Kentucky and the Senator from Vermont for all of their hard work in authoring this important legislation. S. 955 provides increased funding for international affairs functions of our Government, a priority that has been neglected in recent years. I agree with Secretary of State Madeline Albright, who has argued that we can no longer conduct foreign policy on the cheap.

Section 571 of this bill is a briefly worded but very significant restriction on U.S. military assistance. Mr. President, Indonesia is an emerging power in South Asia that has a very considerable economic relationship with the United States. I have long believed that we should fully engage the developing world not only for our own economic interests, but also so that the citizens of these nations can enjoy economic prosperity. Such economic development is the best means of enhancing long-term peace and stability.

Unfortunately, though, Indonesia has yet to join the community of nations in respecting basic human rights and permitting political freedom. Indonesia's continuing repression of East Timor has dampened hope that this nation's tremendous economic success will be matched by progress on human rights and democracy. In just the past month, international human rights activists have cited the disappearance and possible torture of a number of East Timorese civilians. This news comes as the State Department has sharply criticized Indonesia's human rights record in its annual report issued in January.

These events are just the latest examples of the Indonesian Government's continuing denial of fundamental rights to the people of East Timor. This past May, Indonesia held an election which was widely discredited as undemocratic. This election, which returned the ruling party to power as has been done in every election since 1971, was marred by violence that killed 200 people. Clearly, Indonesia must end its behavior that has caused so much pain and suffering among its people.

Mr. President, section 571 would simply prevent United States military equipment sold or transferred to Indonesia from being used in East Timor, the site of the most egregious human rights violations committed by this government. The United States should have no part of this oppression, particularly through the provision of military equipment. I commend the managers of this bill for including this important restriction, and am hopeful that it will be enacted into law.

Mr. LEVIN. I am pleased that the bill managers were able to accept my amendment to prohibit Army Corps consideration of permits that would result in the diversion of ground water from the Great Lakes Basin.

As my Great Lakes colleagues know, the Army Corps recently stated its opinion that ground water is not covered by section 1109 of the Water Resources Development Act of 1986. This section states that, ''No water shall be diverted from any portion of the Great Lakes within the United States, or from any tributary within the United State of any of the Great Lakes, for use outside the Great Lakes Basin unless such diversion is approved by the Governor of each of the Great Lakes States . . .'' and places contraints on funds for any Federal agency study of the feasibility of such a diversion. As I have indicated to the Army Corps, a careful review of the act's legislative history, the Great Lakes Charter, the Boundary Waters Treaty of 1909, the Federal charter of the Great Lakes Commission and its predecessor, and subsequent congressional authorizations and appropriations referencing the waters of the Great Lakes Basin, shows that ground water recharging or discharging into the Great Lakes is clearly part of the Great Lakes Basin hydrologically speaking and is therefore not divertable without adherence to section 1109. In a nutshell, I disagree with the Corps' conclusion.

Mr. President, I look forward to working with my colleagues in the Great Lakes region and the conferees to keep this provision intact. This 1-year prohibition will provide time for the appropriate parties to get together and determine how best to proceed, including possible legislative clarification, to permanently prevent covert diversions of a very precious resource, ground water in the Great Lakes Basin.

Mrs. MURRAY. Mr President, as a member of the Foreign Operations Subcommittee, I want to commend both Chairman MCCONNELL and Senator LEAHY. Once again, the leadership of the subcommittee has produced a bill that I am sure will be widely and bipartisanly supported by the Senate.

I also want to take this opportunity to commend Secretary of State Madeleine Albright. The Secretary appeared before the subcommittee to explain and justify the administration's increased request for this bill. But she went further than this, further than her Democratic and Republican predecessors at the State Department. Secretary Albright has taken the case for foreign aid and the work of this subcommittee directly to the American people. She has done a remarkable job conveying to our constituents the benefits to the American people of our role in the world and the importance of continued U.S. leadership abroad.

The foreign operations, export financing, and related programs Appropriations bill provides monies to meet a great number of important policy initiatives. I want to use my time today to draw attention to just a few of the important initiatives.

Importantly and with my full support, this bill fully funds the Administration's assistance request for our democratic ally Israel. I visited Israel late last year with a delegation of my constituents. It was my first trip to the Middle East. The trip was a wonderful experience that has benefited me personally and professionally as I approach my work at the Foreign Operations Subcommittee. I met with Prime Minister Netanyahu, with the chief Palestinian negotiator, and with the Norweigian diplomats who negotiated the Oslo accords. I met with the Ambassador to Israel, toured important historic and cultural sites, and stood atop the Golan Heights. More than ever, I am convinced that the foreign assistance moneys provided by this legislation to Israel and in support of the peace process are warranted and of strategic importance to the United States.

This bill is also a key tool in our efforts to increase U.S. exports and to generate new jobs all across the country. The provisions of this bill providing moneys for the Export-Import Bank of the United States, the Overseas Private Investment Corporation and the Trade Development Agency are vitally important to my constituents. A recent 1997 study titled, ''Foreign Exports and the Washington State Economy,'' concluded that ''no state derives more economic benefit from the production of goods and services for the foreign markets that Washington State.'' Shortly after the turn of the century, one in three Washington State jobs will be reliant upon international trade. Jobs related to trade in my state also paid wages 46 percent higher than the State average. These trade promotion programs are priority issues for me and I am pleased that we've met the administration's request for these programs. In the case of the Ex-Im Bank, the subcommittee has exceeded the administration's request.

Another key component of this bill is our assistance program to Russia and the newly independent states. This assistance is as important as any granted by the United States. It is a small price to pay to ensure that the trillions of dollars spent on the cold war does not go to waste. Certainly there are problems on the ground in Russia and the NIS countries; religious persecution, political and economic corruption, weapons proliferation and environmental pollution to name just a few. The United States must be diligent in tackling these problems as they arise in our continuing efforts to promote and support democracy.

I am particularly interested in our efforts to increase and highlight the linkages between the Russian Far East and the west coast of the United States. Washington State is as involved in the Russian Far East as any State in the country. Chairman STEVENS is also personally very knowledgeable about the importance of this region as Alaska also maintains many direct ties to the Russian Far East.

The Committee bill also contains many important provisions to children. It contains funding for UNICEF and other child survival programs. Our bill provides moneys to educate young girls as well as provide microcredit loans to young families and women in the developing world. These funds make an enormous difference in the lives of millions of children and families in the world.

I have touched on just a few of the the provisions within this important bill. Again, I want to thank the manager's for bringing this legislation to the Senate today. And I encourage my colleagues to support the foreign operations legislation.

Mr. BYRD. Mr. President, I wish to commend the managers of the FY 1998 Foreign Operations Appropriations bill for their hard work in fashioning this measure, and for getting it to the floor in a timely manner. The bill appropriates some $13,244,208,000 for the programs in FY 1998, is within its 602(b) Allocations, and is below the amount requested by the Administration by about $116 million

The committee in its report indicates that the time is arriving for a review of our priorities and programs in this area, a bottom up review and a new scrutiny over programs and the extent to which they serve U.S. interests abroad. I am pleased that the Committee has focused on the progress we are making in supporting the growth of democracy and free market economies in Eastern Europe, the former states of the Soviet Union, and Russia and the Ukraine. Certainly the payoff for helping stabilize and nurture the growth of solid democratic institutions is far preferable to the extreme expense of maintaining arms races, such as we had to do during the course of over four decades of cold war.

I am pleased that the Committee has included a provision that I suggested to provide traditional incentives, through programs such as the EXIM Bank, OPIC, the Trade and Development Program and the Foreign Commercial Service, to American companies operating in the oil-rich new sovereign nation of Azerbaijan. The bill pays appropriately high attention to the Caucasus, including Georgia, and Armenia, as well as Azerbaijan, and I think it is appropriate. American companies need the unstinting support of our government so as to compete effectively in that region, in light of the fact that foreign nations provide heavy assistance to their firms in that region. We need to keep the playing field level so that our firms stand a fighting change of success in that region in the development of Caspian region oil.

I am pleased that the chairman of the subcommittee, Mr. MCCONNELL has offered an amendment to restore the earmark for Egypt in the bill. I believe that there should be a time in the not too distant future when the earmarks for Egypt and Israel should be reduced and finally eliminated. They are in effect entitlements which have accounted for a large percentage of our national program, and I do not think they should be regarded as permanent. They must be subject to review just as the rest of our programs are. Having said that, however, I believe that, so long as the earmark for Israel remains in the bill, that for Egypt must as well.

Egypt has been a pillar of strength and support for the United States across the board. It has served to pick up the flagging momentum of the peace process which resulted from the negative actions by the Israeli Prime Minister and his right wing constituency in initiating inflammatory new settler housing in disputed Arab territories throwing a cold bucket of water on the momentum of that process. The Egyptian government has acted with courage and constancy in bringing its good offices to bear as an intermediary between the Israeli government and the Palestinians as a time when the United States needed help in that role;. I did not agree with removing the earmark for Egypt, just at a time when I think Egyptian actions were serving as invaluable support for the United States in keeping the peace process moving against a difficult adverse current established by Israeli actions. So, encourage the President of Egypt, Mr. Mubarak, to continue his efforts to play the constructive role that he has been playing in the Middle East.

I would also point out, Mr. President, that Egypt and the United States have a special security relationship, a relationship that proved invaluable to the United States during the Gulf War against Kuwaiti aggression, is the basis for extensive exercises and joint operations day in and day out, together in the Middle East. Our two nations work closely together to counter terrorism, and extremism, to protect the secure flow of oil from that region, and the safe use of the vital air and sea routes in the region. It should be clear that Egypt's important strategic, geographical position, commanding the waterways linking the Gulf, Europe and the United States, makes her an indispensable strategic partner of the United States. This is a relationship that requires nurturing and regular dialogue and support.

Mr. BIDEN. Mr. President, I support the foreign operations appropriations bill now before the Senate, which will provide the necessary funds for foreign assistance programs of the United States in the coming fiscal year. Foreign aid is an important component of U.S. foreign policy. In addition to being a tangible demonstration of American leadership, it is a key instrument in encouraging and supporting

American values of democracy, respect for human rights, and free trade.

In recent years, foreign policy spending has suffered drastic cutbacks. According to a study of the Congressional Research Service, prepared earlier this year at my request, foreign policy spending for the current fiscal year is at its lowest level in 20 years.

Moreover, the steepest reductions in our foreign policy budget have come in foreign assistance, which at $11.5 billion last year, in fiscal year 1998 dollars, is lower, in real terms, than any year of the last twenty, and some 36 percent below the historical average of that period.

Mr. President, this year's foreign operations bill thankfully has started to reverse this precipitous decline. It provides $13.24 billion for foreign assistance and export financing programs. I commend the Appropriations Committee for its hard work and applaud the bipartisan effort its members have shown in enhancing the level of funding for our Nation's foreign assistance programs.

This legislation provides enhanced funding for critical foreign assistance programs, a few of which I will mention briefly.

The Appropriations Committee has recognized the importance of development assistance programs by providing $1.8 billion, $100 million over the President's request.

While the $485 million appropriated for the seed program for newly democratizing countries in Eastern Europe is regretfully below the President's request, the Committee's recommendation of $800 million for the nations of the former Soviet Union will allow our Nation to continue its efforts to bring democracy, stability, and prosperity to those former Communist States.

Mr. President, I am somewhat concerned about the considerable number of earmarks in this bill, and the number of ''subearmarks,'' that is, designation of funds for specific programs within specific countries in Eastern Europe and Eurasia.

I am not opposed to earmarks in principle; Congressional priorities often differ with those of the executive branch, and the Congress has every right to protect those priorities by specific earmarks.

But the proliferation of such provisions unduly limits the administration's flexibility in a region that is constantly in flux. So I hope the committee will consider reducing the number of earmarks in the conference with the House.

Mr. President, unfortunately it has become popular of late to assert that foreign aid is merely the foreign policy equivalent of welfare—a supposed massive giveaway that yields few benefits to American interests.

To the contrary, American contributions to these efforts are an important way in which we protect our interests abroad, a fact that the Appropriations Committee has recognized through its enhanced funding levels for foreign assistance programs.

I wish to congratulate Senator MCCONNELL and Senator LEAHY once again for their work on this important piece of legislation. I urge my colleagues to support it.

CHILD SURVIVAL AND DISEASE PROGRAMS

Mr. DEWINE. Mr. President, I express my strong support for the child survival and disease program fund. I understand that the House Committee on Appropriations, as a part of its foreign operations, export financing, and related programs bill, has recommended that $650 million be allocated to the fund's programs for fiscal year 1998. On the House side, the subcommittee Chairman CALLAHAN has taken the lead, as my colleague from Ohio, Congressman TONY HALL, has also in protecting these child survival programs. I commend him for his leadership on this issue.

The Clinton administration, however, has not specifically designated any direct funding for the child survival programs. Mr. President, in order to preserve the benefits of these important programs for children worldwide, I believe that the Senate should accept, when we go to conference, the House language that was agreed to in committee for this fund. It is, I believe, Mr. President, a tragedy, that millions of children die each year through disease, malnutrition, and other consequences of poverty that are both preventable and treatable. The programs in the child survival fund, which are intended to reduce infant mortality and improve the health and nutrition of children, address the various problems of young people struggling to survive in developing countries.

Mr. President, this fund places a priority on the needs of more than 100 million children worldwide who are displaced and/or who have become orphans. The fund includes initiatives to curb the resurgence of communicable diseases, such as malaria and tuberculosis, in the underdeveloped world, eradicating polio, as well as preventing and controlling the spread of HIV and AIDS.

Mr. President, aside from the addressing issues of health, the fund also supports basic education programs. Investment in education yields one of the highest social and economic rates of return because it gives children the necessary tools to become self-sufficient adults. Each additional year of primary and secondary education results in a 10-to-20 percent wage increase, and a 25-percent net increase in income.

Mr. President, the programs supported by the child survival fund are effective, and they are effective because they save three million lives each year through immunization, vitamin supplementation, oral rehydration therapy, and also through the treatment of childhood respiratory infections which are the second largest killer of children on Earth.

Mr. President, eliminating the symptoms and the causes of this problem is not only the humane thing to do. It is also a necessary prerequisite for global stability and for global prosperity.

In my view, Mr. President, Congress needs to maintain its support for these very valuable programs. It is my hope that the Senate Foreign Operations Subcommittee will, when we go to conference, accept the House language.

The child survival and disease programs are effective, they are important, and they should, Mr. President, be continued.

Mr. President, I see the distinguished chairman of the Senate Foreign Operations Subcommittee on the floor, and my colleague from the State of Kentucky. I wonder if he has any comment about this.

Mr. MCCONNELL. Mr. President, I have listened closely to the comments of my good friend from Ohio, and I would like to thank him for them and commend him for his tireless efforts in supporting the children's causes, not only here in the United States but throughout the world.

I would like to assure my good friend from Ohio that I will give every possible consideration to his request when we go to conference with the House on the bill.

Mr. DEWINE. I appreciate that very much.

Mr. President, if I could inquire of my colleague from Kentucky, I have a statement which I would like to give at some point this evening in regard to the vote we are going to have tomorrow. I can refrain from doing that if it works with the chairman's schedule, or I can do it now.

Mr. MCCONNELL. I have a block of amendments that have been cleared on both sides that I would like to offer. Senator BENNETT is also here.

Mr. DEWINE. I yield the floor at this time, Mr. President.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENTS NUMBERED 904 TO 919, EN BLOC

Mr. MCCONNELL. Mr. President, I am going to submit all of the following to be considered en bloc. They have been approved by Senator LEAHY.

A Kyl amendment earmarking legal aid for Ukraine; a Kyl amendment adding ballistic missiles to Iran restrictions; a Baucus amendment relating to the P.R.C. environment programs; an Enzi amendment relating to climate change; a Hagel amendment authorizing OPIC; a Lautenberg-Kennedy amendment on Libya; a Leahy amendment on war crimes; a Domenici Law Enforcement Center amendment; a Dodd amendment on IMET in Latin American; an amendment by Senator TORRICELLI on terrorism in Sri Lanka; a Durbin amendment on Peru IMET; a Leahy-Lugar-Sarbanes amendment on bank authorization; a D'Amato-Helms-Faircloth amendment on the NAB; a Leahy amendment on demining; a Faircloth amendment on the Congo; and a Lott, et al, amendment on NATO expansion.

Mr. President, I send those amendments to the desk en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes amendments numbered 904 through 919 en bloc.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments en bloc are as follows:

AMENDMENT NO. 904

(Purpose: To allocate funds for legal restructuring in Ukraine necessary to support a decentralized market-oriented economic system)

On page 23, line 17, insert after ''*Provided,*'' the following: ''That of the funds made available for Ukraine under this subsection, not less than $25,000,000 shall be available only for comprehensive legal restructuring necessary to support a decentralized market-oriented economic system, including the enactment of all necessary substantive commercial law and procedures, the implementation of reforms necessary to establish an independent judiciary and bar, the education of judges, attorneys, and law students in the comprehensive commercial law reforms, and public education designed to promote understanding of commercial law necessary to Ukraine's economic independence: *Provided further,*''.

AMENDMENT NO. 905

(Purpose: To prohibit assistance to Russia unless Russia terminates activities relating to ballistic missile or nuclear programs in Iran)

On page 25, line 24, insert after ''reactor'' the following: ''or ballistic missiles''

AMENDMENT NO. 906

(Purpose: To permit funds made available to the United States-Asia Environmental Partnership to be used for activities for the People's Republic of China)

On page 102, between lines 9 and 10, insert the following:

USE OF FUNDS FOR THE UNITED STATES-ASIA ENVIRONMENTAL PARTNERSHIP

SEC. . Notwithstanding any other provision of law that restricts assistance to foreign countries, funds appropriated by this or any other Act making appropriations pursuant to part I of the Foreign Assistance Act of 1961 that are made available for the United States-Asia Environmental Partnership may be made available for activities for the People's Republic of China.

Mr. BAUCUS. Mr. President, this is a short, simple amendment dealing with our China policy. It has the support of the State Department; business; and Chinese dissidents. I hope it will also get the support of Congress.

The amendment, very simply, allows the Asian Environmental Partnership to operate in China. It does not add any spending to the bill, and does not change the basics of the program in any way. So I hope this will not be controversial.

Let me begin with a review of what the Asian Environmental Partnership does. AEP is a small export promotion program created during the Bush Administration. It offers technical help with environmental policy, and brings foreign governments together with American producers of environmental services and technologies.

In several Southeast Asia countries, AEP has helped us achieve environmental goals and to boost American exports to a region where we suffer large trade deficits. But the Asian Environmental Partnership does not now operate in China. That is because it receives some funds from the Agency for International Development, which is barred from operating in China.

It is very clear, of course, that we do not need a foreign aid program for China. China has a lot of money and is quite capable of supporting itself.

But it is just as clear that we need a sound approach to environmental problems in China. Whether you look at water pollution, urban air, rural lakes and streams, or hazardous waste, China is one of the world's most polluted countries. That causes a great deal of suffering for Chinese people. And as China grows, it makes more and more contribution to global climate change, ocean pollution, and other phenomena which affect China's neighbors and even us here in the United States.

We in America can help ease these problems. We can provide some humanitarian relief from needless suffering caused by unsafe water, air and waste. We can help protect ourselves from future environmental threats.

And we can gain some benefit for ourselves in the process. We are among the world's most competitive producers of environmental goods and services, and with some effort we can create a large foreign market for our companies.

That brings me to the second reason we need this amendment. That is, we need an export promotion policy for China.

Last year, we exported about $14 billion worth of goods and services to China, while importing about $51 billion. So we had a $37 billion deficit. This year's figures look no better.

The main reason for this deficit is the massive set of tariffs, discriminatory inspection standards, quotas and other trade barriers erected by the Chinese government. But a second reason—one which we don't really like to admit to ourselves—is that we do very little export promotion to China.

Germans, Japanese, Southeast Asians and other competitors push exports as hard as they can. We don't match their efforts anywhere in the world, and we do worst of all in China, where agencies like AEP can't operate. There is no doubt that costs us.

This is basically common sense. It is good for everyone. For no additional money, this amendment will help us export and improve our trade balance. It will help us deal with some very difficult environmental problems. And it will, to some extent, supplement our human rights goals by making life in China a little better.

That is why this amendment has gotten very broad support. The State Department supports it. American environmental and business groups support it. And Chinese dissidents, support it. Let me quote from a letter I received from the China Strategic Institute, founded by former political prisoner Wang Juntao:

The China Strategic Institute is pleased to learn of your efforts to bring the US-Asia Environmental Partnership to the People's Republic of China. Not only can such a program assist China in combating the severe environmental degradation that plagues the Chinese population, but also . . . the development of civil society. I strongly hope that this amendment finds the support to become law.

To sum up, with this amendment we can do something good for everyone. By passing it, we can promote American exports. We can do something good for the Chinese people. We can promote the interest of both countries in a healthy environment. And we won't spend any more money. So I hope the Senate will support it.

Thank you, Mr. President.

AMENDMENT NO. 907

(Purpose: To ensure Congressional notification of the costs to the Federal Government of all federal programs associated with the proposed agreement to reduce greenhouse gas emissions pursuant to the Framework Convention on Climate Change (FCCC)

At the appropriate place in the bill, insert the new section as follows:

SEC. . REQUIREMENTS FOR THE REPORTING TO CONGRESS OF THE COSTS TO THE FEDERAL GOVERNMENT ASSOCIATED WITH THE PROPOSED AGREEMENT TO REDUCE GREENHOUSE GAS EMISSIONS.

(a) The President shall provide to the Congress a detailed account of all federal agency obligations and expenditures for climate change programs and activities, domestic and international, for FY 1997, planned obligations for such activities in FY 1998, and any plan for programs thereafter in the context of negotiations to amend the Framework Convention on Climate Change (FCCC) to be provided to the appropriate congressional committees no later than October 15, 1997.

Mr. MCCONNELL. Mr. President, let me commend the Senator from Wyoming for his efforts to fully disclose all the resources the Administration has allocated to the climate change issue. To my knowledge nobody has been able to determine how much or from what offices funds been spent on global climate change.

It is imperative that we have a clear understanding of the resources being expended from all federal agencies and offices for the purposes of education, lobbying and research.

AMENDMENT NO. 908

(Purpose: To amend the Foreign Assistance Act of 1961 with respect to the authority of the Overseas Private Investment Corporation to issue insurance and extend financing)

On page 102, between lines 9 and 10, insert the following:

SEC. . AUTHORITY TO ISSUE INSURANCE AND EXTEND FINANCING.

(a) IN GENERAL.—Sectin 235(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)) is amended—

(1) by striking paragraphs (1) and (2)(A) and inserting the following:

''(1) INSURANCE AND FINANCING.—(A) The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 234(a), and the amount of financing issued under section 234(b) and (c), shall not exceed in the aggregate $29,000,000,000.'';

(2) by redesignating paragraph (3) as paragraph (2); and

(3) by amending paragraph (2) (as so redesignated) by striking ''1997'' and inserting ''1999''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 235(a) of that Act (22 U.S.C. 2195(a)) as redesignated by subsection (a), is further amended by striking ''(a) and (b)'' and inserting ''(a), (b), and (c)''.

AMENDMENT NO. 909

(Purpose: To withhold assistance to countries that are violating United Nations sanctions against Libya)

On page 102, between lines 9 and 10, insert the following:

WITHOLDING ASSISTANCE TO COUNTRIES VIOLATING UNITED NATIONS SANCTIONS AGAINST LIBYA

SEC. 575. (a) WITHHOLDING OF ASSISTANCE.—Except as provided in subsection (b), whenever the President determines and certifies to Congress that the government of any country is violating any sanction against Libya imposed pursuant to United Nations Security Council Resolution 731, 748, or 883, then not less than 5 percent of the funds allocated for the country under section 653(a) of the Foreign Assistance Act of 1961 out of appropriations in this Act shall be withheld from obligation and expenditure for that country.

(b)EXCEPTION.—The requirement to withhold funds under subsection(a) shall not apply to funds appropriated in this Act for allocation under section 653(a) of the Foreign Assistance Act of 1961 for development assistance or for humanitarian assistance.

Mr. LAUTENBERG. Mr. President, I am pleased that Senator KENNEDY is an original cosponsor of this amendment along with Senators MOYNIHAN, D'AMATO, and TORRICELLI.

This amendment would withhold 5 percent of funds made available in this bill to any country that the President determines violates United Nations sanctions against Libya. The amendment exempts development assistance and humanitarian assistance.

As my colleagues know, the United Nations imposed sanctions against Libya in 1992 in response to the Libyan Government's failure to extradite to the United States or Scotland two Libyan intelligence agents indicted for the 1988 bombing of Pan Am Flight 103. One hundred and eighty-nine Americans were killed in that terrorist bombing. The families of those innocent victims are still waiting for justice.

Among other things, the U.N. sanctions prohibit international flights into and out of Libya. They also prohibit supply to Libya of aircraft and aircraft components.

Nonetheless, some countries in the international community continue to help Libya's Khadaffi violate the sanctions.

For example, five countries have allowed Libyan airlines to land on their soil in violation of the sanctions. These countries include Niger, Nigeria, Saudi Arabia, Egypt, and Ghana.

The amendment we are offering today would force countries that help Libya violate U.N. sanctions to choose between 5 percent of their foreign assistance and their support of a terrorist state.

The amendment is forward looking. It does not penalize any country for past actions. Let me repeat that. It does not penalize any country for past actions. Nor does it single out any country.

Rather, it lays down a marker and sends a signal that in the future violating the international sanctions against Libya will have a financial cost.

I urge my colleagues to adopt this amendment.

Mr. KENNEDY. Mr. President, I'm honored to be a sponsor of Senator LAUTENBERG's amendment to withhold 5 percent of United States assistance from any country which, in the future, violates the United Nations sanctions against Libya.

It is nearly 9 years since December 1988, when Pan Am flight 103 was bombed out of the sky over Lockerbie, Scotland, killing 270 people, including 189 Americans. In 1991, after an extensive international investigation, two Libyans were indicted for that terrorist bombing, but they have never been brought to trial because the Government of Libya continues to defy the international community.

United Nations sanctions against Libya were first adopted in 1992. These sanctions prohibit international flights to and from Libya, the supply to Libya of aircraft, aircraft parts, military equipment and certain oil equipment. They also freeze funds of the Libyan Government and reduce the size of Libyan diplomatic missions abroad.

It is obvious that the current sanctions are too mild to bring about the surrender of the suspects by Libya. Senator LAUTENBERG and I, and many of our colleagues on both sides of the aisle, have repeatedly called for stronger sanctions, including an international oil embargo against Libya, because additional sanctions are clearly necessary to achieve their goal and see that justice is done. Regrettably, many of our European allies buy Libyan oil, and have been unwilling to take this step.

Even the current mild sanctions against Libya are not being enforced. According to the Department of State, numerous violations of the sanctions have occurred. But when the United States brings such cases to the attention of the sanctions committee at the United Nations, the committee refuses to investigate them.

Recently, for example, the United States provided evidence to the Security Council sanctions committee, involving attempts by Libya to import aircraft parts, via Belgrade, in violation of the U.N. sanctions. The sanctions committee refused to investigate this violation.

There have also been several instances in which other countries have permitted Libyan planes to land in their territory, despite the U.N. prohibition on such landings.

If there are no consequences for violating the U.N. sanctions then the sanctions are useless. If the United Nations is unwilling to enforce its own sanctions, the United States is left with no other choice but to impose unilateral measures.

In this unsatisfactory situation, the Lautenberg amendment is a modest but necessary step for the United States to take. Its provisions are not retroactive, but it puts other countries on notice for the future. If they violate the U.N. sanctions against Libya, their action will cost them part of the U.S. aid they receive.

I urge the Senate to approve the amendment, and to take this reasonable step to see that justice is done for the victims of the Pan Am flight 103 terrorist atrocity.

Mr. TORRICELLI. Mr. President, I am proud to be an original co-sponsor of the Kennedy-D'AMATO amendment, which would restrict aid to those countries which fail to comply with the United Nations sanctions against Libya. I rise today in strong support of its passage.

Earlier this month the U.N. Security Council renewed international sanctions against Libya, as they have every 120 days since they were first imposed in 1992. Unfortunately, Mr. President, despite the fact that Libya refuses to comply with the will of the international community and extradite to the United States or Great Britain two Libyan nationals indicted as suspects in the murders of 270 people, the sanctions renewal was challenged by several African states.

This challenge is just the latest episode in Libya's arrogant international campaign to avoid the justified opprobrium of the international community. Libya has gone so far as to intrude on the privacy of the victims of its criminality by writing directly to the American families of Pan Am 103 proposing their supposed ''compromise'' with international law directly to the families. Mr. President, I cannot overestimate how damaging it is to the interests of all democratic governments for Libya to be thrown a lifeline by the African members of the security council. Libya's U.N. Ambassador reportedly said after the Security Council vote, ''We can from now on behave as if these sanctions were not there.'' These sanctions are there, and they will remain.

There are several episodes over the past two years that highlight the need for this amendment. Earlier this year, a Libyan-registered aircraft flew from Libya to Niger and returned to Nigeria despite U.N. sanctions. Last July, Muammar Qaddafi left Tripoli to attend an Arab summit meeting in Cairo. He arrived in Egypt by plane and left by plane, a clear violation of the ban on air travel. In December, the CIA revealed that Ukraine agreed to three

different arms deals with Libya. The first involved the sale of $500 million worth of short-range ballistic missiles. A second deal called for Ukraine to provide maintenance services and spare parts valued at $10 million. The third agreement involved Iran's purchase of Ukrainian weapons with the intent of transferring them to Libya.

Today we have made clear our determination to bring to justice those who destroyed 270 lives and brought suffering on countless other loved ones. I am pleased to join my colleagues in sponsoring legislation to deny United States assistance to any countries that violate international sanctions against Libya. We will make it clear to Libya that this pariah regime cannot escape the consequences of its lawless behavior.

AMENDMENT NO. 910

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

SEC. . WAR CRIMES PROSECUTION.

(a) Section 2401 of Title 18, United States Code (Public Law 104–192; the War Crimes Act of 1996) is amended as follows:

(1) in subsection (a), by striking ''commits a grave breach of the Geneva Conventions'' and inserting in lieu thereof ''commits a war crime'';

(2) in subsection (b)—

(A) by striking ''the person committing such breach or the victims of such breach'' and inserting in lieu thereof ''the person committing such crime or the victim of such crime''; and

(B) by inserting before the period at the end of the subsection ''or that the person committing such crime is later found in the United States after such crime is committed'';

(3) in subsection (c)—

(A) by striking ''the term 'grave breach of the Geneva Conventions' means conduct defined as'' and inserting in lieu thereof ''the term 'war crime' means conduct (1) defined as''; and

(B) by inserting the following before the period at the end: ''; (2) prohibited by Articles 23, 25, 27, or 28 of the Annex to the Hague Convention IV, Respecting the Laws and Customs of War on Land, signed on October, 1907; (3) which constitutes a violation of common Article 3 of the international conventions signed at Geneva on August 1949; or (4) of a person who, in relation to an armed conflict and contrary to the provisions of the Protocol on Prohibitions or Restrictions on the Use of Mines, Booby-traps and Other Devices as amended at Geneva on 3 May 1996 (Protocol II as amended on 3 May 1996), when the United States is a party to such Protocol, willfully kills or causes serious injury to civilians'';

(4) by adding a new subsection (d) to read as follows:

''(d) NOTIFICATION.—No prosecution of any crime prohibited in this section shall be undertaken by the United States except upon the written notification to the Congress by the Attorney General or his designee that in his judgment a prosecution by the United States is in the national interest and necessary to secure substantial justice.''.

Mr. LEAHY. Mr. President, I am very pleased that my amendment to strengthen our ability to prosecute war criminals in the United States has been accepted by the Republican side.

This amendment, which builds on the War Crimes Act of 1996, closes some gaps in our Nation's implementation of the Geneva and Hague Conventions.

The War Crimes Act of 1996 only permits prosecution for war crimes in the United States if the person accused of committing the crime, or the victim of a war crime, is a national of the United States or a member of the U.S. Armed Forces. While noble in its intent, that act does not permit the United States to prosecute non-U.S. nationals who come within our jurisdiction. It leaves the United States open as a potential safe-haven for war criminals seeking to escape prosecution.

Currently, we have no extradition treaties with 75 nations including Somalia, Cambodia, Afghanistan, Lebanon, and Iran. If a war criminal from any of these countries takes refuge in the United States, we cannot extradite him. The alternative—deportation—is a long and complex process which becomes even more difficult when the accused is to be deported to a specific country. Even if deportation is successful, a war criminal may be returned to a country in which the judicial system is nonfunctional—Cambodia, for example—thus escaping prosecution altogether.

My amendment allows us to prosecute war criminals located in the United States, regardless of their nationality. The amendment in no way obligates the United States to prosecute war crimes, nor does it permit the extradition of non-U.S. nationals of the United States for prosecution if the victims of the crime are not United States nationals. Any case undertaken by our Government requires written notification to the Congress by the Attorney General, who must take into consideration U.S. national interests and the necessity of U.S. prosecution, to assure a just resolution in each case. The United States will not be drawn into international conflicts where we have no significant national interest.

The amendment expands the scope and offers a more specific definition of what constitutes a war crime that the 1996 act. The 1996 act only refers to grave breaches of the 1949 Geneva Conventions which are defined as willful killing, torture or inhuman treatment, including biological experiments, willfully causing great suffering or serious injury to body or health, and extensive destruction of property, not justified by military necessity and carried out unlawfully or wantonly.''

My proposed 1997 amendments also covers articles of the 1907 Hague Convention IV which clarify actions prohibited in war.

The inclusion of common article 3 of the Geneva Conventions is vital in that it expressly allows the United States to prosecute war crimes perpetrated in noninternational conflicts, such as Bosnia and Rwanda. In January 1997, there were a reported 35 such internal conflicts, from Algeria to Kasmir.

Finally, violations of the protocol on prohibitions or restrictions on the use of mines, booby-traps and other devices will constitute a war crime under this amendment, once the United States ratifies this important protocol.

The International Committee of the Red Cross, the American Red Cross, the State Department, the Department of Defense, and President Clinton all support the expansion of United States prosecutorial authority as it is contained in this amendment. With its adoption, we will be following in the footsteps of Great Britain, Canada, New Zealand, and Australia—each of which passed similar laws in the 1950's. It is time for us to join them.

AMENDMENT NO. 911

(Purpose: To Allocate Funds for a Western Hemisphere International Law Enforcement Academy (ILEA))

On page 28 line 19 after the word ''country'' insert the following:

''*Provided further.* That of this amount not to exceed $5 million shall be allocated to operate the Western Hemisphere International Law Enforcement Academy under the auspices of the Organization of American States with full oversight by the Department of State.''

Mr. DOMENICI. Mr. President, this amendment to the foreign operations appropriations bill asks that $5 million of the funding appropriated for international narcotics control be allocated out of existing funds for the establishment of an international law enforcement training academy [ILEA] for the Western Hemisphere.

The State Department set up the International Law Enforcement Academy in Budapest, Hungary, in 1995 and has since trained 300 law enforcement officials.

This amendment would establish a similar international law enforcement training academy but for the Western Hemisphere and for which the President requested in his 1998 budget.

Mr. President, the allocated funds would be for operations of such an academy and a facility would need to be found. I understand that the State Department has been trying to find such a facility for the past year, but we have not reached an agreement among Latin American countries.

My amendment would allow the academy to be established in consultation with the Organization of American States, representing our Central and Latin American neighbors.

Mr. President, I do not have to explain the terrorist and narcotic threats in this hemisphere. The ILEA is a way for the United States to establish law enforcement networks that lead to a more effective approach to fighting international organized crime and drug trafficking.

Such an academy would help us create closer working relationships and networks with foreign police that are needed to find fugitives and combat financial corruption.

I urge Senators to vote in support of a Western Hemisphere international law enforcement academy.

AMENDMENT NO. 912

(Purpose: To provide for the reform and annual review of United States sponsored training programs of Latin American military personnel at the School of the Americas and elsewhere to ensure that training is consistent with respect for human rights and civil control over the military)

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

REFORM AND REVIEW OF UNITED STATES SPONSORED TRAINING PROGRAMS

SEC. . (a) FINDINGS.—Congress makes the following findings:

(1) United States training of members of Latin American military and security forces that occurred primarily at the Army School of the Americas between 1982 and 1991 has been severely criticized for promoting practices that have contributed to the violation of human rights and have otherwise been inconsistent with the appropriate role of the Armed Forces in a democratic society.

(2) Numerous members of Latin American military and security forces who have participated in United States sponsored training programs, have subsequently been identified as having masterminded, participated in, or sought to cover up some of the most heinous human rights abuses in the region.

(3) United States interests in Latin America would be better served if Latin American military personnel were exposed to training programs designed to promote—

(A) proper management of scarce national defense resources,

(B) improvements in national systems of justice in accordance with internationally recognized principles of human rights, and

(C) greater respect and understanding of the principle of civilian control of the military.

(4) In 1989, Congress mandated that the Department of Defense institute new training programs (commonly referred to as expanded IMET) with funds made available for international military and education programs in order to promote the interests described in paragraph (3). Congress also expanded the definition of eligibility for such training to include non-defense government personnel from countries in Latin America.

(5) Despite congressionally mandated emphasis on expanded IMET training programs, only 4 of the more than 50 courses offered annually at the United States Army School of the Americas qualify as expanded IMET.

(b) LIMITATION ON USE OF FUNDS.—Notwithstanding any other provision of law, none of the funds appropriated in this Act under the heading relating to international military education and training may be made available for training members of any Latin American military or security force until—

(1) the Secretary of Defense has advised the Secretary of State in writing that 30 percent of IMET funds appropriated for fiscal year 1998 for the cost of Latin American participants in IMET programs will be disbursed only for the purpose of supporting enrollment of such participants in expanded IMET courses; and

(2) the Secretary of State has identified sufficient numbers of qualified, non-military personnel from countries in Latin America to participate in IMET programs during fiscal year 1998 in consultation with the Secretary of Defense, and has instructed United States embassies in the hemisphere to approve their participation in such programs so that not less than 25 percent of the individuals from Latin American countries attending United States supported IMET programs are civilians.

(c) REPORT.—Not later than 1 year after the date of enactment of this act, the Secretary of State shall report in writing to the appropriate committees of Congress on the progress made to improve military training of Latin American participants in the areas of human rights and civilian control of the military. The Secretary shall include in the report plans for implementing additional expanded IMET programs for Latin America during the next 3 fiscal years.

Mr. DODD. Mr. President, I would like to rise to comment on the amendment that may be offered by the distinguished Senator from Illinois [Mr. DURBIN]. His amendment would seek to close, once and for all, the U.S. Army School of the Americas, presently located at Fort Benning, GA.

I am totally sympathetic with the intent of the Senator's amendment. Clearly the entire history of the School of the America's, and particularly the period from 1982–1991, is shameful. It has left a legacy that is an ugly blemish on our country's credibility as an advocate of full respect for human rights and the rule of law in a region where human rights violations have occurred with impunity.

Like Senator DURBIN, I believe that the United States has a special obligation to promote democracy throughout the world, and most especially in our own hemisphere.

Given the recent history of military rule in many countries in the region, it is particularly important that the United States strongly support the concept of civilian control over national military institutions.

It also means highlighting the importance of respecting the human rights of all the peoples of the hemisphere. And, in particular, the obligation of military and security forces throughout the region that they do so. Finally it means stressing the principle that national military and security forces are accountable for acts that fall short of acceptable international human rights standards and practices.

I would say to my colleague from Illinois, that if closing down the School of the Americas would remedy all of the evils that have been perpetrated by a number of individuals trained there over the years, I would strongly support his effort.

Unfortunately, even if we were to shut the doors at the School of the Americas tomorrow, that would not be the case. Moreover, the School of the Americas is not the only location where Latin American military personnel receive United States-supported training.

Equally important is acknowledgment that countries throughout the region have legitimate national security interests that necessitate the existence of national armed forces in these countries.

Shutting the School of the Americas doesn't obviate the need that regional militaries get the right kind of training for their personnel.

I have had the opportunity to review excepts from the manuals that were utilized in the training of Latin American personnel throughout the 1980's and into the early 1990's. Clearly these manuals espoused practices that can only be described as coercion, torture, and assassination.

I know that the Defense Department has looked into the background of these manuals, and has found, not once but twice, that mistakes were made—but that no one is really responsible.

Frankly, it defies credibility to accept one of the central conclusions of the 1997 Defense Department inspector general's review of this.

Among other things, the IG concluded that while,

> . . . five of the seven manuals contained language and statements in violation of legal, regulatory, or policy prohibitions, such as motivation by fear, payment of bounties for enemy dead, false imprisonment, and the use of truth serum . . . . Army personnel involved in the preparation and presentation of the intelligence courses did not recognize that the training materials contravened DOD policy and [there was] no evidence that a deliberate and orchestrated attempt was made to violate DOD or U.S. Army policies.

So much for any sensitivity with respect to human rights that United States troops are supposed to be indoctrinated in.

School of the Americas instructors tutored Latin American military personnel in how to use threats of force with prisoners, neutralize opponents, hold prisoners in clandestine jails, and infiltrate and spy on civilian organizations and opposition political parties for at least 10 years. Despite the fact that such training explicitly violates U.S. policy.

The IG does not deny that such training was a clear violation of U.S. policy, but attributes it to the equivalent of staff error. The IG found that—

> . . . from 1982 to 1991, many mistakes were made and repeated (with respect to use of these manuals) by numerous and continually changing personnel in several organizations from Panama to Georgia to Washington, DC. Lack of attention to the Department of Defense and U.S. Army policies and procedures by those personnel and organizations perpetrated the assumption that the materials in the Spanish language intelligence manuals were proper and doctrinally correct.

I don't know anything about the background of the current IG who came to this conclusion.

But I think it is safe to say that if he/she had bothered to review the extensive Congress debate that occurred during much of this same time period over United States policy with respect to Latin America—he would have found the often stated concern about the substantial human rights abuses that were being perpetrated by members of these military forces, particularly those in Central America.

Those of us who were here remember only too well that the Department of Defense was being queried on a weekly basis about all aspects of U.S. policy during that time period—including the training and other support the United States was providing to these military and security forces.

Many of us in this body who participated in those rancorous debates could

take up hours here today reliving that period.

But that isn't a good use of the Senate's time, nor does it do anything to address the underlying concerns with respect to the nature and content of United States-sponsored military training programs for the Latin American and Caribbean region.

The amendment that I will offer at the appropriate time would go to the heart of this. It would not close the School of the Americas. Rather, it would mandate that at least 36 percent of IMET-supported course curriculum be for, so-called expanded IMET courses—namely those devoted to training Latin American Armed Forces in skills that will better prepare them to serve their democratic countries as we enter the 21st century. It would also require that these courses be available to nonmilitary government officials with responsibilities for defense policies in their countries as well.

As many of my colleagues are aware, in 1989 Senator LEAHY first introduced the concept of this new, so-called expanded IMET. Simply put, to qualify as an expanded IMET course its purpose must be to educate Latin American military and civilian personnel in the proper management of their defense resources, in improving their systems of military justice in accordance with internationally recognized principles of human rights or in fostering greater respect for and understanding of the principle of civilian control of the military.

Despite the fact that Senator LEAHY first proposed the creation of expanded IMET more than 8 years ago, even today Latin American military students are afforded very few opportunities to avail themselves of such courses.

Only 4 of the more than 50 courses offered in the 1997 School of the America's curriculum quality as expanded IMET courses.

That is totally unacceptable and is additional evidence that the U.S. Army just doesn't get it when it comes to the importance that must be accorded to promoting respect for human rights throughout the hemisphere.

For that reason this amendment would specifically mandate that 30 percent of Latin American IMET funds be spent in support of preparing Latin American military and appropriate civilian and legislative defense personnel for their appropriate roles in democratic societies as we begin the next millennium.

I would hope that all of my colleagues would support this amendment.

AMENDMENT NO. 913

(Purpose: To recommend that the Liberation Tigers of Tamil Eelam be placed on the list of terrorist organizations by the Department of State)

At the appropriate place, insert the following:

SEC. . LIBERATION TIGERS OF TAMIL EELAM.

SENCE OF SENATE.—It is the sense of the Senate that the Department of State should list the Liberation Tigers of Tamil Eelam as a terrorist organization.

Mr. TORRICELLI. Mr. President, I would like to thank Chairman MCCONNELL and Senator LEAHY for accepting this amendment expressing the Sense of the Senate that the State Department should list the Liberation Tigers of Tamil Eelam [LTTE] as a terrorist organization. I believe that the LTTE meets the criteria approved during the 104th Congress to designate terrorist organizations, and I urge the State Department to carefully examine the evidence.

Section 302 of the Antiterrorism and Effective Death Penalty Act of 1996 defines a terrorist organization as one which is foreign, engages in terrorist activity, and threatens the security of the United States. There is no doubt that the LTTE is a foreign organization. Its main centers of activity are located in the United Kingdom and France, as well as Canada, Australia, and India.

The State Department's Report on Human Rights Practices for 1996 details LTTE abuses which are undoubtedly terrorist activities. The LTTE regularly commits extrajudicial killings, and is responsible for disappearances, arbitrary arrests, detentions and torture. An attack on the army base at Mullaitivu in July 1996, orchestrated by the LTTE, killed more than 1,500 government troops. In the aftermath, an equally important fact came to light. It is clear that the LTTE regularly recruits children into its military forces.

In the northern part of the island, the LTTE has expelled almost 46,000 Muslim inhabitants, almost the entire Muslim population, from their homes. These individuals have been threatened with death if they return. Lastly, the LTTE has been held responsible for the assassination of an Indian Prime Minister, a President of Sri Lanka, a Presidential candidate, and senior Sinhalese and Tamil political leaders.

It is clear that these activities are of a terrorist nature, and I believe that they threaten the national security of the United States. Section 302 defines national security as that pertaining to ''national defense, foreign relations, or economic interests of the United States''. In this sense, the promotion of democracy, free-market economies, and human rights throughout the world are fundamental to our interests. However, the LTTE does not follow the rules of democratic procedure. In fact, the LTTE espouses socialism and seeks to establish a socialist state in Sri Lanka. This stated ideology is far removed from the free-market policies that the United States promotes.

With these facts in mind, I am hopeful that the State Department will move to list the LTTE as a terrorist organization. The safety and security of the United States, and our friends in Sri Lanka, depend upon it.

AMENDMENT NO. 914

(Purpose: To limit international military education and training assistance for Peru)

At the appropriate place in the bill insert the following:

LIMITATION ON INTERNATIONAL MILITARY EDUCATION AND TRAINING ASSISTANCE FOR PERU

SEC. . None of the funds appropriated or otherwise made available by this Act may be provided to the Government of Peru for international military education and training under chapter 5 of part II of the Foreign Assistance Act of 1961, unless the President certifies to Congress that the Government of Peru is taking all necessary steps to ensure that United States citizens held in prisons in Peru are accorded timely, open, and fair legal proceedings in civilian courts.

Mr. LEAHY. Mr. President, I support Senator DURBIN's amendment to condition IMET for Peru on timely, open and fair legal proceedings in civilian courts for United States citizens being held in Peru.

The Government of Peru deserves credit for the progress in human rights it has made in recent years. The number of extrajudicial killings and disappearances has decreased dramatically. However, freedom of the press, executive interference in the judiciary, the existence of faceless military courts for civilians, lengthy pre-trial detention and abysmal prison conditions continue to be serious problems. This amendment conditions IMET assistance on speedy resolution of the cases of American citizens who are in Peruvian prisons awaiting a fair trial.

Jennifer Davis and Krista Barnes each have admitted their guilt on drug-trafficking charges and cooperated fully with the Peruvian police. They have been imprisoned for over 9 months, waiting to be tried and sentenced so they may be transferred to a U.S. prison under our prisoner exchange treaty. They are victims of Peru's excruciatingly slow legal process and life-threatening prison conditions.

Lori Berenson was tried, convicted and sentenced almost 2 years ago under a legal system set up to combat terrorism in Peru that violates international standards of due process. In late 1996, the Peruvian military's highest court upheld her life sentence. Ms. Berenson plans to appeal to the Supreme Court of Peru. In the meantime, Ms. Berenson is struggling through another winter in prison in the freezing mountains of Peru.

Mr. President, it is my hope that this amendment will encourage Peru not just to take action in the cases of these young women, but that it will spark a vigorous effort to improve the judicial process in Peru so that no one—no Peruvian or American or any other citizen—will have to endure lengthy pretrial detention, wretched prison conditions and a clogged legal docket that violate minimum international standards of due process and the treatment of prisoners.

AMENDMENT NO. 915

On page 43, line 3 after the word ''(IAEA).'' insert the following new section:

SEC. . AUTHORIZATION REQUIREMENT FOR INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) The Secretary of the Treasury may, fulfill commitments of the United States, (1) effect the United States participation in the first general capital increase of the European Bank for Reconstruction and Development, subscribe to and make payment for 100,000 additional shares of the capital stock of the Bank on behalf of the United States; and (2) contribute on behalf of the United States to the eleventh replenishment of the resources of the International Development Association, to the sixth replenishment of the resources of the Asian Development Fund, a special fund of the Asian Development Bank. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: (1) $285,772,500 for paid-in capital, and $984,327,500 for callable capital of the European Bank for Reconstruction and Development; (2) $1,600,000,000 for the International Development Association; (3) $400,000,000 for the Asian Development Fund; and (4) $76,832,001 for paid-in capital, and $4,511,156,729 for callable capital of the Inter-American Development Bank in connection with the eighth general increase in the resources of that Bank. Each such subscription or contribution shall be subject to obtaining the necessary appropriations.

(b) Section 17 of the Bretton Woods Agreement Act, as amended (22 U.S.C. 286e–2 *et seq.*) is amended as follows:

(1) Section 17(a) is amended by striking ''and February 24, 1983'' and inserting instead ''February 24, 1993, and January 27, 1997''; and by striking ''4,250,000,000'' and inserting instead ''6,712,000,000''.

(2) Section 17(b) is amended by striking ''4,250,000,000'' and inserting instead ''6,712,000,000''.

(3) Section 17(d) is amended by inserting ''or the Decision of January 27, 1997,'' after ''February 24, 1983,''; and by inserting ''or the New Arrangements to Borrow, as applicable'' before the period at the end.

(c) The authorizations under this section are subject to the Senate Foreign Relations Committee reporting out an * * *

AMENDMENT NO. 916

(Purpose: To make an amendment with respect to Congressional review of new arrangements for borrowing by the International Monetary Fund)

On page 42, line 4, insert after the period the following: ''Notwithstanding any other provision of law, none of the funds appropriated under this heading may be made available until the relevant Committees of Congress have reviewed the new arrangements for borrowing by the International Monetary Fund provided for under this heading and authorizing legislation for such borrowing has been enacted.''.

Mr. D'AMATO. Mr. President, I rise today to offer an amendment along with Senator HELMS and Senator FAIRCLOTH.

My amendment would provide that none of the funds appropriated for the new arrangements to borrow [NAB] by the International Monetary Fund could be made available until the relevant authorizing committees have reviewed these provisions and authorizing legislation has been enacted.

The Clinton administration and the International Monetary Fund have asked Congress to give the IMF $3.5 billion of the taxpayer's money to support the new arrangements to borrow. The NAB is an arrangement where 25 participating countries agree to lend funds to the IMF, in predetermined amounts, whenever the organization believes those funds are needed to forestall or cope with an impairment of the international monetary or to deal with an exceptional situation that poses a threat to the stability of that system.

This appropriations bill supports this request by including $3.5 billion for the NAB.

Unfortunately, Mr. President, the authorizing committees have not had an opportunity to review these new arrangements to borrow. We need to have hearings and fully review these provisions, which have significant consequences for the American taxpayer.

We simply can't give an international bureaucracy such as the IMF a blank check without a thorough review by the relevant congressional committees. My amendment would simply do this—give us the opportunity to fully examine this proposal.

AMENDMENT NO. 917

On page 30, line 9, after the word ''Act'' insert ''or the Foreign Assistance Act of 1961''.

AMENDMENT NO. 918

(Purpose: To limit aid to the Government of Congo until a Presidential certification)

None of the funds appropriated or otherwise made available by this Act may be provided to the Government of the Congo until such time as the President reports in writing to the Congress that the Government of Congo is cooperating fully with investigators from the United Nations or any other international relief organizations in accounting for human rights violations or atrocities committed in Congo or adjacent countries.

AMENDMENT NO. 919

On page 34, and the end of line 21 strike the period and insert: ''*Provided further*, That $60,000,000 of the funds appropriated or otherwise made available under this heading shall be made available for the purpose of facilitating the integration of Poland, Hungary, and the Czech Republic into the North Atlantic Treaty Organization: *Provided further*, That, to carry out funding the previous proviso, all or part of the $60,000,000 may be derived by transfer, notwithstanding any other provision of law, from titles I, II, III, and IV of this Act.''

Mr. LOTT. Mr. President, this is a very straightforward amendment. It requires a modest amount of funds be dedicated to supporting NATO integration costs for Poland, Hungary, and the Czech Republic.

Earlier this month at Madrid, the North Atlantic Treaty Organization made a historic decision: to invite three former members of the Warsaw Pact to join NATO. Poland, Hungary, and the Czech Republic have made tremendous progress since the fall of the Berlin Wall. Their economies are free, their militaries are under civilian control, their disputes with their neighbors have been resolved.

The invitation to join NATO is not a gift—it has been earned by the hard work and sacrifice in each of these three countries. Including them in NATO will change the course of history—no longer will they be at the mercy of stronger neighbors.

I led a delegation to Europe just before the Madrid summit. We met with NATO officials in Brussels and we went to Budapest, Hungary for a firsthand assessment of that country's progress. We all left convinced that Hungary—like Poland and the Czech Republic—has earned the invitation to become members of the most successful alliance in history.

In the coming months, the Senate will consider all the issues associated with NATO enlargement. One of the key issues will be the costs—the total cost of enlargement, the U.S. share of that cost, and how that overall cost will be shared with existing and prospective NATO members.

I believe the costs of enlarging NATO will be manageable. I believe there will be greater costs if we do not enlarge NATO. But the concern over the cost is legitimate. Much of the concern is based on a fear that NATO enlargement will drain a defense budget already under siege—already stretched too thin from humanitarian interventions that have little to do with U.S. national security.

I believe we should look at ways to finance NATO enlargement from nondefense sources. My amendment today helps pave the way for that approach by earmarking foreign aid funds for Poland, Hungary, and the Czech Republic.

There is a lot of money in this bill for programs that, in my view, are a lower priority than NATO enlargement. For example, the bill contains $950 million for the International Development Association to make concessional loans to countries like India and China. The bill contains $1.3 billion for development assistance, much of it going to countries where United States strategic interests are far less than in Central Europe.

My amendment is designed to give maximum leverage to the managers in conference to ensure adequate funds are made available for the three countries invited to join NATO—funds to finance language training, communications modernization, and equipment interoperability.

Much has been done by Poland, Hungary, and the Czech Republic to prepare their military forces for admission into NATO, but much more needs to be done. Meeting these needs will be a major share of the cost of NATO enlargement.

Chairman MCCONNELL has long been a leader in supporting enlargement of NATO to include new democracies in Central and Eastern Europe. His report points out the importance of keeping the NATO enlargement door open, and his bill takes a number of steps to provide reassurance to those not invited in the first wave of enlargement—especially for the Baltic States.

Adoption of this amendment—with the other provisions in the bill on NATO related issues—will send a

strong signal of Senate support financing a key element of enlargement preparation for the Poland, Hungary, and the Czech Republic. I thank the managers for their cooperation and I thank Senators LIEBERMAN, SMITH of Oregon, HOLLINGS, SHELBY, ROTH, BIDEN, DEWINE, COATS, HAGEL, and FRIST for cosponsoring the amendment. I urge support for the amendment.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Numbered 904 through 919) en bloc were agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the House companion measure is passed by the Senate pursuant to the previous order that the passage of S. 955 be vitiated, and that S. 955 be indefinitely postponed.

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

Mr. MCCONNELL. Mr. President, I believe that completes the evening for Senator LEAHY and myself. Senator DEWINE is here, and would like to speak. And I believe Senator BENNETT is here, and we may shortly take leave.

Mr. LEAHY. Mr. President, I say to the distinguished Senator from Kentucky that I enjoy working with him. But I know the Senate is in the able hands of the distinguished Senator from Utah. Now that I have somebody who actually looks a little bit like me on the floor, I, too, can leave.

The PRESIDING OFFICER. The Senator from Utah.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1998

Mr. BENNETT. Mr. President, the Legislative Branch bill provides $1,537,827,000 in new obligational authority, exclusive of House items, for fiscal year 1998. This is $64,947,000 below the President's request and $51,600,000 above the fiscal year 1997 level.

The majority of the increases in the bill account for cost of living adjustments.

Mr. President, I wish to correct an impression that is being circulated throughout the press. There is no provision in this bill for a pay increase for Members of Congress. That is the issue that is taken care of in other bills.

The Senate items include provisions to reduce the appropriation for official mail from $10 million to $8 million in fiscal year 1998 and combine the franking allowance with the official personnel and office expense allowance—this will reduce paperwork and provide flexibility for offices to meet their needs.

The bill eliminates the disparity in staff salaries of Senate employees versus all other Federal employees (including those of the House.) This disparity was caused by the Senate employees not receiving the 2-percent COLA in 1996, which as provided to all other Federal employees.

Approximately 80 percent of the Architect's request for capital projects to ensure that certain repairs and maintenance are not delayed. If this maintenance is taken care of now, it should pay off in substantial cost savings in the future.

The GAO is provided $346.75 million, which conforms to the commitment to stabilize the GAO budget and staff level (3,500 employees) after a 2-year reduction of 25 percent. This recommendation provides sufficient funds for mandatory cost increases, including the COLA.

I want to take the opportunity now before presenting the bill to thank Senator DORGAN, the ranking member on the Legislative Branch Subcommittee, for his cooperation and his work on the bill. I have enjoyed my experience as the chairman of the subcommittee, and Senator DORGAN's cooperative spirit has been a large part of that enjoyment. I pay tribute to him and to his staff for the professional way in which they have handled this responsibility.

Mr. President, I believe this bill continues the legislative branch's contributions toward deficit reduction and the goal of the balanced budget by the year 2002.

Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of Calendar No. 110, S. 1019, the Legislative Branch Appropriations bill, and, further, the managers' amendment, which is at the desk, be considered as read and agreed to.

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

AMENDMENT NO. 920

(Purpose: To provide funds for a pilot program of studies of scientific and technological issues to assist the Congress in anticipating, understanding and considering such issues in the course of determining public policy on existing and emerging national problems)

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. BENNETT], for Mr. BINGAMAN, proposes an amendment numbered 920.

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

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

The amendment is as follows:

On page 38, line 2, insert before the period the following: ": *Provided further*, That $500,000 shall be available only for expenditure on studies and assessments, to be carried out by not-for-profit scientific, technological, or educational institutions, of the matters described in section 472(c) of title 2, United States Code: *Provided further*, That topics for studies and assessments under the previous proviso, and the institutions designated to carry out the studies and assessments, shall be selected by the voting members of the Technology Assessment Board under section 473 of title 2, United States Code, from among topics requested pursuant to paragraph (1) or (2) of section 472(d) of such title".

Mr. BINGAMAN. Mr. President, this amendment addresses an important need of the Congress created by the demise, two years ago, of the Office of Technology Assessment. That need is for authoritative and in-depth studies of scientific and technological issues that are at the root of many of the problems that we are called on to address through legislation.

Over the 23 years of its existence, from 1972 to 1995, the Office of Technology Assessment functioned as our in-house brain trust. It was a competent, timely, and impartial source of scientific and technical advice on a wide range of issues. In early 1995, the decision was made to end the existence of the Office of Technology Assessment by zeroing out its appropriation. The judgment of the Congress at that time was that it needed to demonstrate to the American people that it was willing to downsize its own operations. I miss the OTA, and I know that a lot of my colleagues in the Senate and in the House do too. I am not proposing today to reverse what we did 2 years ago by recreating new offices in the Congress or by hiring new permanent staff. I believe that there are other, more flexible ways for Congress to gain direct access to high-quality and timely advice and insight on cutting edge science and technology relevant to our legislative duties.

My amendment attempts to use the existing legislative authorities for oversight of the old OTA to oversee a new pilot experiment. Members should realize that while we terminated the OTA by ending its appropriation, the underlying authorities governing the OTA are still on the books. For example, there is continuing legislative authority in title 2 of the United States Code to have a Technology Assessment Board of 12 members: 6 from the House and 6 from the Senate, with each chamber's representation evenly divided between the parties and appointed by the respective leadership. This is an excellent group to decide on which topics should be studied using the funds that would be provided by my amendment. The old OTA authorities also provided that topics for OTA studies be suggested by chairs of committees, ranking members, or numerical majorities of committees, or by the Technology Assessment Board. That is a sound procedure for identifying potential study topics. My amendment uses both of these authorities, but contains a crucial difference in how the studies are executed. In place of a permanent, continuing organization to undertake studies, my amendment provides for selection of external scientific, technological, or educational institutions to carry out the studies that would be funded under my amendment. Think of it as a "virtual OTA" or, if you prefer,

an ''outsourced'' one. The contractual arrangements with these institutions would be handled by the GAO, which already has a wide network of similar contracting arrangements with accounting firms all over the country. Thus, there is no institutional mortgage associated with my amendment, and no new Congressional organization. I think that every member who reluctantly voted to terminate the OTA, because of the need to downsize our operations, can support my amendment with a clear conscience. We aren't bringing back a big bureaucracy. We are giving ourselves access, on topics that Members themselves determine are the most pressing to have authoritative scientific and technical insight, to the analytical capabilities of our best not-for-profit and educational institutions.

Let me reiterate the key points behind my amendment. I am proposing a way for Congress to acquire better scientific and technological advice without an institutional mortgage. My amendment puts 12 members, selected by the bipartisan leadership of the Senate and the House, directly in charge of deciding how the funds under this amendment will be spent and what will be studied. My amendment allows all Committees of Congress to nominate topics worthy of study and to propose which not-for-profit institution would be most suitable to engage in their study. Contracting would be handled through the General Accounting Office, which routinely contracts to external sources for expert advice and assistance in its own audits.

I am proposing an experiment of limited scope, only $500,000, which probably translates to somewhere between two and five studies. The offsetting funds of $500,000 come from the budget of the General Accounting Office, which is receiving over $354 million in appropriations in this Act. That is less than three-tenths of 1 percent of the GAO budget for this experiment. The contracting burden for GAO under my amendment is hardly crushing—an additional 2 to 5 contracts won't stretch their resources. I will also note that the Appropriations Committee's own report for this bill voices concern that GAO may have given priority to audits initiated under its own authority over those requested by committees and Members of Congress. My amendment represents a use of funds that is 100 percent directed to Member and Committee requests, and overseen by a bipartisan group appointed by the leadership.

I believe that this is a sensible request and I urge the adoption of my amendment.

The amendment (No. 920) was agreed to.

Mr. DORGAN. Mr. President, I rise in support of S. 1019, the fiscal year 1998 legislative branch appropriation bill, and applaud the chairman of the subcommittee, Senator BENNETT, for the work he has done in reporting this bill to the Senate. This bill, as recommended by the committee, provides $1,537,827,000 in budget authority, exclusive of House items. This total is $64,947,000 below the President's request and $51,600,000 above the fiscal year 1997 enacted level. As I indicated, these figures do not include spending by the House of Representatives, as each body normally defers to the other body to set its own budget. To date, the full House has not yet acted on the legislative branch appropriation bill for fiscal year 1998.

S. 1019 includes not only funding for the salaries and expenses for offices and committees of the Senate, but also includes the budgets of a number of outside agencies that provide important services to the Senate, including the General Accounting Office, the Government Printing Office, the Congressional Budget Office, the Library of Congress, the Capitol Police, and the Architect of the Capitol.

Mr. President, the subcommittee chairman has done an excellent job of highlighting the major provisions in this bill, so I will take just a minute to draw attention to what I believe to be an important issue.

For the General Accounting Office, the committee provides an appropriation that is an increase of $14 million over the fiscal year 1997 enacted level. This amount provides sufficient funding to stabilize the workforce of 3,500 employees and to pay for mandatory cost increases to support the men and women who work for GAO, in keeping with the agreement reached last Congress between GAO and appropriators to reduce GAO's budget by 25 percent over 2 years . As part of the commitment, appropriators committed to provide funding stability for the GAO once the 2-year, 25 percent reduction was achieved. I believe that it is important to note that the Senate has lived up to its commitment to the GAO and I, for one, will work diligently to keep a level of funding that is worked out in our conference with the House that is consistent with this commitment.

Mr. President, let me close by again commending the subcommittee chairman, Senator BENNETT. In his first year as chairman of the legislative branch subcommittee, he has proven himself to be a very capable leader, who has worked with me on a bipartisan basis. I also wish to express my thanks to the subcommittee staff—Jim English, Mary Dewald, and Christine Ciccone—for their fine work, and also to recognize the excellent support we had from Mary Hawkins, of my staff, and Chip Yost, of Senator BENNETT's staff.

Mr. BYRD. Mr. President, in February 1987 the Senate and House passed S. Con. Res. 18 (100th Congress) authorizing the printing as a Senate document of ''The Senate 1789–1989.'' A compilation of some 80 addresses that I had delivered during the 1980's on the history of the United States Senate, the book formed part of Congress' commemoration of its bicentennial. Between 1988 and 1993, the publication appeared in four volumes: two volumes of the addresses, together with a volume of classic Senate speeches and a statistical appendix. Printed in a large format with attractive historical illustrations, these books received favorable reviews. Volume I was awarded a prize by the Society for History in the Federal Government and commended by the American Library Association. Additional printing industry awards went to several of the Government Printing Office contractors involved in the books' manufacture.

Through the Government Printing Office, copies of these volumes were distributed to government depository libraries throughout the country. The printing resolution stipulated that ''in addition to the usual number of copies, there shall be printed with suitable binding 5,000 additional copies for use by the Secretary of the Senate.'' These copies have been and continue to be distributed to educational institutions and other appropriate recipients. In addition, the Superintendent of Documents purchased for sale 4,600 copies of Volume I; 2,300 of Volume II; and 1,000 each of Volumes III and IV. Reflecting the superior quality of the books, the Government Printing Office offered these volumes at an average price of $56.

In April of this year, my office inquired of the Government Printing Office, as we do periodically, how many of each volume had been sold and how many remained on hand. This time, we were astonished to learn that the number of volumes remaining was a total of 3,260 less than it should have been when we subtracted the number of copies sold since our last inquiry from the number that had remained at that time. When we asked GPO about the fate of these other copies, we were informed that there had been a ''stock reduction''—apparently meaning that 3,260 of these beautiful valuable volumes were disposed of.

On April 23, I wrote to Michael DiMario, the Public Printer, to request an explanation. On May 6, he responded that there had indeed been such a stock reduction in order to save storage costs and streamline sales operations. He further stated that, if additional copies of these volumes were ever needed, they could of course be reprinted. No one who has seen these beautifully crafted books could possibly believe that it would be cost effective to destroy more than 3,000 copies and reprint them later, rather than simply paying for lower-cost off-site storage until they should be needed. If such a reduction was in fact necessary, I cannot fathom the distorted thinking that would destroy books of such long-term value without at the very least informing the Office of the Secretary of the Senate, or my office, and giving us the opportunity to acquire these copies to make them available to various educational entities. When I expressed these further concerns to Mr. DiMario, I did at last receive an apology and an acknowledgement that it

had in fact been an error to dispose of the books without prior notification.

What of our nation's libraries? I have in mind those at the public and community college level that may lie outside the depository program. Would they not welcome surplus copies of selected government documents once thought worthy of being included in the Government Printing Office's sales program? Are we so distorted in our priorities that we prefer to shred such useful information rather than to disseminate it?

I continue to be gravely concerned about this unfortunate incident, which demonstrates a major flaw in the procedures of the Superintendent of Documents and the Government Printing Office. Perhaps this was simply an unfortunate exception. Or perhaps it reveals a pattern of inattention, carelessness, or even malfeasance. What other titles in the Superintendent of Documents' inventory may have received similar treatment in the name of "stock reduction?" I, for one, would like an answer.

Mr. President, I ask unanimous consent that a memorandum to me from the Senate Historian, Dr. Richard Baker, on this subject, dated April 23, 1997, together with an exchange of correspondence between myself and the Public Printer, Michael DiMario, be included in the record at this point. This correspondence includes my letters to Mr. DiMario dated April 23, 1997, and June 17, 1997, and his responses to me dated May 6, 1997, and July 11, 1997.

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

U.S. SENATE
OFFICE OF THE SECRETARY,
Washington, DC, April 23, 1997.

MEMORANDUM

To: Senator Robert C. Byrd.
From: Dick Baker.
Re: GPO sales copies of "The Senate, 1789–1989."

Yesterday, at your request, we asked GPO how many copies of each volume they had sold. When they supplied the information, we discovered some disturbing information. In early 1995, the Superintendent of Documents reported having on hand the following numbers of copies:

Volume I—1,618.
Volume II—1,260.
Volume III—963.
Volume IV—855.

After selling only a few hundred more copies of each, GPO reported yesterday that it had the following numbers of each on hand:

Volume I—299 (131 sold since 1995 should leave 1,489).

Volume II—271 (69 sold since 1995 should leave 1,191).

Volume III—137 (166 sold since 1995 should leave 797).

Volume IV—279 (84 sold since 1995 should leave 771).

These figures leave 3,260 volumes not accounted for:

Volume I—1,188.
Volume II—920.
Volume III—660.
Volume IV—492.

When we asked about the fate of these other copies, we were informed that there had been a "stock reduction." As far as we can determine, this means that 3,260 books were disposed of.

Attached is the draft of a possible letter you may wish to send to the Public Printer requesting and explanation of this decision.

APRIL 23 1997.

Mr. MICHAEL F. DIMARIO,
Public Printer, Government Printing Office, Washington, DC.

DEAR MR. DIMARIO: It has come to my attention that the sales inventory of all four volumes of "The Senate, 1789–1989" has been drastically reduced. Perhaps this action is in line with the Superintendent of Documents' standard policy, but I find it most distressing because these books were designed to have long-term value.

I would appreciate receiving an explanation of this decision.

With all good wishes, I am

Sincerely yours,

ROBERT C. BYRD.

U.S. GOVERNMENT PRINTING OFFICE,
OFFICE OF THE PUBLIC PRINTER,
Washington, DC, May 6, 1997.

Hon. ROBERT C. BYRD,
U.S. Senate, Hart Office Building, Washington, DC.

DEAR SENATOR BYRD: This is in response to your letter dated April 23, 1997, inquiring about the sales inventory of the four volumes of "The Senate, 1789–1989." Let me assure you that we recognize the historical value of this series and have designated all four volumes as titles which shall remain in print and available through our sales program indefinitely.

In September 1996, the Superintendent of Documents took a number of steps to reduce costs in the sales program and to provide more efficient service to the public. After conducting a study, it was determined that it was more cost-effective to maintain an adequate inventory of sales titles based on their projected life cycle and to reprint, if necessary.

This policy recognizes, however, that some publications such as The Senate will have a much longer life cycle than the ordinary book. Based on current projections, we have on hand an average supply of 9 years for the four volumes. The life cycle for most books is 18 months. The Superintendent of Documents' staff frequently reviews the sales history of each publication. Because of the importance of The Senate, we are prepared to reprint at any time. The sales program pays all costs when we go back to press.

As you know, our sales program must recover all expenses from revenues. The program has come under increasing financial pressure recently with some agencies withdrawing titles traditionally sold by the Government Printing Office (GPO) in favor of exclusive arrangements with the National Technical Information Service or other partners. This is causing needless duplication of effort, confusion to those who wish to purchase Government information products, and a substantial loss of revenue to the GPO sales program. In this difficult environment, it is our goal to streamline our operations, improve customer service, and keep prices as low as possible, while at the same time ensuring long-term availability of valuable publications such as The Senate.

Sincerely,

MICHAEL F. DIMARIO,
Public Printer.

JUNE 17, 1997.

Mr. MICHAEL F. DIMARIO,
Public Printer, Government Printing Office, Washington, DC.

DEAR MR. DIMARIO: Your response to my April 23, 1997, letter leaves several questions unanswered.

I understand the need to manage the inventory of publications that have a limited shelf life. Printing on demand makes a great deal of sense for bills, reports, and other routine documents. The wisdom of that policy is far less apparent for a "Level 1" publication such as "The Senate 1789–1989." I find it difficult to believe that off-site storage costs for this four-volume work would have been greater over a nine-year period than reprinting costs.

Your letter does not explain why the Government Printing Office did not contact my office, or the Office of the Secretary of the Senate, to offer to transfer copies deemed to be in excess of projected demand requirements. I am unable to comprehend this lack of communication in the light of the close working relationship this project has inspired over the past decade between the Senate and GPO.

When a commercial publisher or university press decides to unload an unwanted title, it is a matter of standard practice and common courtesy to give the author the opportunity to acquire copies. Had we been afforded that opportunity, it would have advanced our plans to make these works widely available to educational entities, both in this country and abroad, and would have quickly absorbed your "surplus." Had someone within the Superintendent of Documents' office bothered to make a single phone call, he or she could have aided a useful project and avoided a needless waste of resources.

Sincerely yours,

ROBERT C. BYRD.

U.S. GOVERNMENT PRINTING OFFICE,
OFFICE OF THE PUBLIC PRINTER,
Washington, DC, July 11, 1997.

Hon. ROBERT C. BYRD,
U.S. Senate, The Capitol, Washington, DC.

DEAR SENATOR BYRD: This letter is in response to your letter of June 17, 1997, concerning "The Senate 1789–1989."

I apologize both officially and personally for the unfortunate unilateral reduction of the Superintendent of Documents sales inventory of this publication. I was not aware of the reduction until I received your letter of April 23, 1997. Nevertheless, I recognize that full responsibility for this action rests with me and no one else.

My regrets are keenly felt since as Assistant Public Printer for Operations and Procurement at the time of the printing of Volume I, I had personal knowledge of your direct participation in the selection of appropriate paper, binding, and font style. Moreover, having family roots in West Virginia, as a history major at Davis and Elkins College, and as a member of its Board of Trustees, I have a keen awareness of and great admiration for your love of the Senate as well as your extraordinary scholarship and sense of the importance of history, both ancient and modern, and I understand how our unthinking actions must have hurt you deeply. I am truly sorry.

In fact, it is our policy to contact the publisher of a book when we are reducing inventory, and to offer publishers the excess copies at no charge. This policy was not followed with respect to "The Senate 1789–1989" during the major inventory reduction that occurred in the latter part of FY 1996, which was undertaken to reverse a trend of financial losses. The Superintendent of Documents instructed sales program staff to move quickly to restore the sales program to financial soundness by the beginning of FY 1997. Because of the short deadline and the large number of titles and copies involved, they did not follow standard policy to contact publishers. Both the management and staff of the sales program are deeply chagrined by this error, and the Superintendent

of Documents has assured me that steps have been taken to ensure our policy on notification of publishers will be strictly followed when making future inventory reductions.

As you say in your letter, the Senate and the Government Printing Office (GPO) have maintained a close working relationship during the past decade on ''The Senate 1789–1989.'' We have distributed all four volumes to the 1,380 Federal depository libraries throughout the Nation, and in June 1997 we provided 60 copies of each volume to the United States Information Agency for use in their libraries abroad.

Again, both personally and in my capacity as Public Printer, and on behalf of all the employees of GPO for whom you have been a greatly honored customer and friend, I apologize for the haste with which the inventory reduction was made and for our failure to inform your office. We have taken steps to ensure that this does not happen again, and I look forward to continuing to work with you in the future.

Sincerely,

MICHAEL F. DIMARIO,
Public Printer.

Mr. BYRD. Mr. President, I rise in support of S. 1019, the Fiscal Year 1998 Legislative Branch Appropriation bill. This is the first year that the distinguished Senator from Utah [Mr. BENNETT] and the very able Senator from North Dakota [Mr. DORGAN] have served as chairman and ranking member, respectively, and they are to be congratulated for the expeditious manner with which they have brought this prudent legislation to the floor. Both Senators are to be commended for the efforts that they have made to ensure that the Legislative Branch of the Government is funded in a fiscally sound and responsible way.

S. 1019, as recommended by the committee, provides $1,537,827,000 in budget authority, to fund salaries and expenses of the Senate and those agencies that provide important services to this institution, such as the General Accounting Office, the Government Printing Office, the Congressional Budget Office, the Library of Congress, the Capitol Police, and the Architect of the Capitol. In addition, S. 1019 is well within its 602(b) subcommittee allocation. This bill does not provide funding for House items, as the full House has not yet acted on the Legislative Branch Appropriation bill for fiscal year 1998 as it is customary that each body defers to the other body to set its own budget.

Mr. President, I again commend the chairman and ranking member of the Legislative Branch Subcommittee for their outstanding work. I also thank the committee staff who have worked hard on this bill: Jim English, Mary Dewald, and Christine Ciccone.

This is a good bill and deserves the support of the Senate. I yield the floor.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered as read a third time and passed, as amended, the motion to reconsider be laid upon the table with any statements related to the bill appear at the appropriate point in the RECORD.

The bill (S. 1019), as amended, was passed, as follows:

S. 1019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the legislative branch for the fiscal year ending September 30, 1998, and for other purposes, namely:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, $77,254,000, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,612,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $371,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $2,388,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $1,221,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $1,061,000 for each such committee; in all, $2,122,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $409,000.

POLICY COMMITTEES

For salaries of the Majority Policy Committee and the Minority Policy Committee, $1,077,500 for each such committee, in all, $2,155,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $260,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $13,306,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $33,037,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $1,165,000.

AGENCY CONTRIBUTIONS AND RELATED EXPENSES

For agency contributions for employee benefits, as authorized by law, and related expenses, $19,208,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $3,605,000.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $966,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96–304 and Senate Resolution 281, agreed to March 11, 1980, $75,600,000.

EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $370,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $1,511,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $64,400,000, of which $7,000,000 shall remain available until September 30, 1999.

MISCELLANEOUS ITEMS

For miscellaneous items, $7,905,000.

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $228,600,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, $8,500; in all, $13,000.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate, $300,000, to remain available until September 30, 1999.

ADMINISTRATIVE PROVISIONS

SECTION 1. (a) For fiscal year 1998, and each fiscal year thereafter, the Secretary of the Senate is authorized to make advance payments under a contract or other agreement to provide a service or deliver an article for the United States Government without regard to the provisions of section 3324 of title 31, United States Code.

(b) An advance payment authorized by subsection (a) shall be made in accordance with regulations issued by the Committee on Rules and Administration of the Senate.

(c) The authority granted by subsection (a) shall not take effect until regulations are issued pursuant to subsection (b).

SEC. 2. (a) Upon the written request of the Majority or Minority Whip of the Senate, the Secretary of the Senate shall transfer during any fiscal year, from the appropriations account appropriated under the headings ''Salaries, Officers and Employees'' and ''Offices of the Majority and Minority Whips'', such amount as either whip shall specify to the appropriations account, within the contingent fund of the Senate, ''Miscellaneous Items''.

(b) The Majority and Minority Whips of the Senate are each authorized to incur such expenses as may be necessary or appropriate. Expenses incurred by either such whip shall be paid from the amount transferred pursuant to subsection (a) by such whip and upon vouchers approved by such whip.

(c) The Secretary of the Senate is authorized to advance such sums as may be necessary to defray expenses incurred in carrying out subsections (a) and (b).

SEC. 3. (a) Effective in the case of any fiscal year which begins on or after October 1, 1997, clause (iii) of paragraph (3)(A) of section 506(b) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)) is amended to read as follows:

''(iii) subject to subparagraph (B), in case the Senator represents Alabama, $182,567, Alaska, $251,901, Arizona, $197,079, Arkansas, $168,282, California, $468,724, Colorado, $186,350, Connecticut, $160,903, Delaware, $127,198, Florida, $299,746, Georgia, $210,214, Hawaii, $279,512, Idaho, $163,335, Illinois, $266,248, Indiana, $194,770, Iowa, $170,565, Kansas, $168,177, Kentucky, $177,338, Louisiana, $185,647, Maine, $147,746, Maryland, $173,020, Massachusetts, $195,799, Michigan, $236,459, Minnesota, $187,702, Mississippi, $168,103, Missouri, $197,941, Montana, $161,725, Nebraska, $160,361, Nevada, $171,096, New Hampshire, $142,394, New Jersey, $206,260, New Mexico, $166,140, New York, $327,955, North Carolina, $210,946, North Dakota, $149,824, Ohio, $259,452, Oklahoma, $181,761, Oregon, $189,345, Pennsylvania, $266,148, Rhode Island, $138,582, South Carolina, $170,451, South Dakota, $151,450, Tennessee, $191,954, Texas, $348,681, Utah, $168,632, Vermont, $135,925, Virginia, $193,467, Washington, $214,694, West Virginia, $147,772, Wisconsin, $191,569, Wyoming, $152,438, plus''.

(b) Subsection (a) of the first section of Public Law 100–137 (2 U.S.C. 58c) is amended by adding at the end the following:

''(6) Effective on and after October 1, 1997, the Senators' Account shall be available for the payment of franked mail expenses of Senators.''.

(c)(1) Section 12 of Public Law 101–520 is repealed.

(2) The amendment made by paragraph (1) shall be effective on and after October 1, 1997.

(d) Nothing in this section affects the authority of the Committee on Rules and Administration of the Senate to prescribe regulations relating to the frank by Senators and officers of the Senate.

SEC. 4. (a) The aggregate amount authorized by Senate Resolution 54, agreed to February 13, 1997, is increased—

(1) by $401,635 for the period March 1, 1997, through September 30, 1998, and

(2) by $994,150 for the period March 1, 1998, through February 28, 1999.

(b) This section is effective on and after October 1, 1997.

SEC. 5. Effective on and after October 1, 1997, each of the dollar amounts contained in the table under section 105(d)(1) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C 61–1) shall be deemed to be the dollar amounts in that table on December 31, 1995, increased by 2 percent on January 1, 1996, and by 2.3 percent on January 1, 1997.

SEC. 6. (a) The aggregate amount authorized by Senate Resolution 54, agreed to February 13, 1997, is increased—

(1) by $125,000 for the period March 1, 1997, through September 30, 1998; and

(2) by $175,000 for the period March 1, 1998, through February 28, 1999.

(b) Funds in the account, within the contingent fund of the Senate, available for the expenses of inquiries and investigations shall be available for franked mail expenses incurred by committees of the Senate the other expenses of which are paid from that account.

(c) This section is effective for fiscal years beginning on and after October 1, 1997.

SEC. 7. Section 1101 of Public Law 85–58 (2 U.S.C. 46a–1) is amended by adding at the end the following: ''Disbursements from the fund shall be made upon vouchers approved by the Secretary of the Senate, or his designee.''.

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $2,750,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, $807,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $5,724,000, to be disbursed by the Chief Administrative Officer of the House: *Provided*, That $100,000 of the funds in this Act shall not be available for expenditure except for staff designated to provide Members of Congress, not on the Tax Committees, assistance in securing revenue estimates for legislation with the assumptions used in determining the revenue estimate prepared by the Joint Committee for that Member of Congress.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $500 per month each to two medical officers while on duty in the Attending Physician's office; (3) an allowance of $500 per month to one assistant and $400 per month each to not to exceed nine assistants on the basis heretofore provided for such assistance; and (4) $893,000 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,266,000, to be disbursed by the Chief Administrative Officer of the House.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than $600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, $73,935,000, of which $35,507,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House, and $38,428,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: *Provided*, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than $2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and $85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms of the Senate or the House of Representatives designated by the Chairman of the Board, $5,401,000, to be disbursed by the Chief Administrative Officer of the House of Representatives: *Provided*, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 1998 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury.

ADMINISTRATIVE PROVISIONS

SEC. 101. Amounts appropriated for fiscal year 1998 for the Capitol Police Board for the Capitol Police may be transferred between the headings ''SALARIES'' and ''GENERAL EXPENSES'' upon the approval of—

(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading ''SALARIES'';

(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading ''SALARIES''; and

(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.

SEC. 102. (a)(1) The Capitol Police Board shall establish and maintain unified schedules of rates of basic pay for members and civilian employees of the Capitol Police which shall apply to both Members and employees whose appointing authority is an officer of the Senate and Members and employees whose appointing authority is an officer of the House of Representatives.

(2) The Capitol Police Board may, from time to time, adjust any schedule established under paragraph (1) to the extent that the Board determines appropriate to reflect changes in the cost of living and to maintain pay comparability.

(3) A schedule established or revised under paragraph (1) or (2) shall take effect only upon approval by the Committee on House Oversight of the House of Representatives and the Committee on Rules and Administration of the Senate.

(4) A schedule approved under paragraph (3) shall have the force and effect of law.

(b)(1) The Capitol Police Board shall prescribe, by regulation, a unified leave system for members and civilian employees of the Capitol Police which shall apply to both Members and employees whose appointing authority is an officer of the Senate and Members and employees whose appointing authority is an officer of the House of Representatives. The leave system shall include provisions for—

(A) annual leave, based on years of service;

(B) sick leave;

(C) administrative leave;

(D) leave under the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.);

(E) leave without pay and leave with reduced pay, including provisions relating to contribution for benefits for any period of such leave;

(F) approval of all leave by the Chief or the designee of the Chief;

(G) the order in which categories of leave shall be used;

(H) use, accrual, and carryover rules and limitations, including rules and limitations for any period of active duty in the Armed Forces;

(I) advance of annual leave or sick leave after a member or civilian employee has used all such accrued leave;

(J) buy back of annual leave or sick leave used during an extended recovery period in the case of an injury in the performance of duty;

(K) the use of accrued leave before termination of the employment as a member or civilian employee of the Capitol Police, with provision for lump sum payment for unused annual leave; and

(L) a leave sharing program.

(2) The leave system under this section may not provide for the accrual of either annual or sick leave for any period of leave without pay or leave with reduced pay.

(3) All provisions of the leave system established under this subsection shall be subject to the approval of the Committee on House Oversight of the House of Representatives and the Committee on Rules and Administration of the Senate. All regulations approved under this subsection shall have the force and effect of law.

(c)(1) Upon the approval of the Capitol Police Board, a member or civilian employee of the Capitol Police who is separated from service, may be paid a lump sum payment for the accrued annual leave of the member or civilian employee.

(2) The lump sum payment under paragraph (1)—

(A) shall equal the pay the member or civilian employee would have received had such member or employee remained in the service until the expiration of the period of annual leave;

(B) shall be paid from amounts appropriated to the Capitol Police;

(C) shall be based on the rate of basic pay in effect with respect to the member or civilian employee on the last day of service of the member or civilian employee;

(D) shall not be calculated on the basis of extending the period of leave described under subparagraph (A) by any holiday occurring after the date of separation from service;

(E) shall be considered pay for taxation purposes only; and

(F) shall be paid only after the Chairman of the Capitol Police Board certifies the applicable period of leave to the Secretary of the Senate or the Chief Administrative Officer of the House of Representatives, as appropriate.

(3) A member or civilian employee of the Capitol Police who enters active duty in the armed forces may—

(A) receive a lump sum payment for accrued annual leave in accordance with this subsection, in addition to any pay or allowance payable from the armed forces; or

(B) elect to have the leave remain to the credit of such member or civilian employee until such member or civilian employee returns from active duty.

(4) The Capitol Police Board may prescribe regulations to carry out this subsection. No lump sum payment may be paid under this subsection until such regulations are approved by the Committee on Rules and Administration of the Senate and the Committee on House Oversight of the House of Representatives. All regulations approved under this subsection shall have the force and effect of law.

(d) Nothing in this section shall be construed to effect the appointing authority of any officer of the Senate or the House of Representatives.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, $1,991,000, to be disbursed by the Secretary of the Senate: *Provided*, That no part of such amount may be used to employ more than forty individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the first session of the One Hundred Fifth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,600,000.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93–344), including not more than $2,500 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $24,995,000: *Provided*, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

SALARIES AND EXPENSES

For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the maintenance, care and operation of the Capitol and electrical substations of the Senate and House office buildings under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; including not more than $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; and not to exceed $20,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $39,554,000, of which $7,500,000 shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $6,203,000, of which $745,000 shall remain available until expended.

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of Senate Office Buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, $50,922,000, of which $13,200,000 shall remain available until expended: *Provided*, That appropriations under this heading for management personnel and miscellaneous restaurant expenses hereafter shall be transferred at the beginning of each fiscal year to the special deposit account in the United States Treasury established under Public Law 87–82, approved July 6, 1961, as amended (40 U.S.C. 174j–4), and effective October 1, 1997, all management personnel of the Senate Restaurant facilities shall be paid from the special deposit account. Management personnel transferred hereunder shall be paid at the same rates of pay applicable immediately prior to the date of transfer, and annual and sick leave balances shall be credited to leave accounts of such personnel in the Senate Restaurants.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex, Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $33,645,000, of which $1,650,000 shall remain available until expended: *Provided*, That not more than $4,000,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1998.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $65,134,000: *Provided*, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Oversight of the House of Representatives or the Committee on Rules and Administration of the Senate: *Provided further*, That, notwithstanding any other provision of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44

U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $82,269,000: *Provided,* That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further,* That none of the funds appropriated or made available under this Act may be expended for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, unless such printing and binding and related services are provided during fiscal year 1998 and the billing of such printing and binding and related services occurs not later than December 31, 1998.

This title may be cited as the ''Congressional Operations Appropriations Act, 1998''.

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $3,228,000.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $229,904,000, of which not more than $7,869,000 shall be derived from collections credited to this appropriation during fiscal year 1998, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150): *Provided,* That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further,* That the total amount available for obligation shall be reduced by the amount by which collections are less than the $7,869,000: *Provided further,* That of the total amount appropriated, $9,619,000 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: *Provided further,* That of the total amount appropriated, $5,584,000 is to remain available until expended for the acquisition and partial support for implementation of an integrated library system (ILS).

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, $34,567,000, of which not more than $17,340,000 shall be derived from collections credited to this appropriation during fiscal year 1998 under 17 U.S.C. 708(d), and not more than $5,086,000 shall be derived from collections during fiscal year 1998 under 17 U.S.C. 111(d)(2), 119(b)(2), 802(h), and 1005: *Provided,* That the total amount available for obligation shall be reduced by the amount by which collections are less than $22,426,000: *Provided further,* That not more than $100,000 of the amount appropriated is available for the maintenance of an ''International Copyright Institute'' in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: *Provided further,* That not more than $2,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $47,870,000, of which $14,194,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase, installation, and repair of furniture, furnishings, office and library equipment, $4,178,000.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than $194,290, of which $58,100 is for the Congressional Research Service, when specifically authorized by the Librarian, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15; and

(2) grants such manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term ''manager or supervisor'' means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 204. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 205. Of the amount appropriated to the Library of Congress in this Act, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 206. (a) For fiscal year 1998, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $100,490,000.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

SEC. 207. (a) ESTABLISHMENT.—Effective October 1, 1997, there is established in the Treasury of the United States a revolving fund to be known as the Cooperative Acquisitions Program Revolving Fund (in this section referred to as the ''revolving fund''). Moneys in the revolving fund shall be available to the Librarian of Congress, without fiscal year limitation, for financing the cooperative acquisitions program (in this section referred to as the ''program'') under which the Library acquires foreign publications and research materials on behalf of participating institutions on a cost-recovery basis. Obligations under the revolving fund are limited to amounts specified in the appropriations Act for that purpose for any fiscal year.

(b) AMOUNTS DEPOSITED.—The revolving fund shall consist of—

(1) any amounts appropriated by law for the purposes of the revolving fund;

(2) any amounts held by the Librarian as of October 1, 1997 or the date of enactment, whichever is later, that were collected as payment for the Library's indirect costs of the program; and

(3) the difference between (A) the total value of the supplies, equipment, gift fund balances, and other assets of the program, and (B) the total value of the liabilities (including unfunded liabilities such as the value of accrued annual leave of employees) of the program.

(c) CREDITS TO THE REVOLVING FUND.—The revolving fund shall be credited with all advances and amounts received as payment for purchases under the program and services and supplies furnished to program participants, at rates estimated by the Librarian to be adequate to recover the full direct and indirect costs of the program to the Library over a reasonable period of time.

(d) UNOBLIGATED BALANCES.—Any unobligated and unexpended balances in the revolving fund that the Librarian determines to be in excess of amounts needed for activities financed by the revolving fund, shall be deposited in the Treasury of the United States as miscellaneous receipts. Amounts needed for activities financed by the revolving fund means the direct and indirect costs of the program, including the costs of purchasing, shipping, binding of books and other library materials; supplies, materials, equipment and services needed in support of the program; salaries and benefits; general overhead; and travel.

(e) ANNUAL REPORT.—Not later than March 31 of each year, the Librarian of Congress shall prepare and submit to Congress an audited financial statement for the revolving fund for the preceding fiscal year. The audit shall be conducted in accordance with Government Auditing Standards for financial audits issued by the Comptroller General of the United States.

SEC. 208. AUTHORITY OF THE BOARD TO INVEST GIFT FUNDS.—Section 4 of the Act entitled ''An Act to create a Library of Congress Trust Fund Board, and for other purposes'', approved March 3, 1925 (2 U.S.C. 160), is

amended by adding at the end the following new undesignated paragraph:

''Upon agreement by the Librarian of Congress and the board, a gift or bequest accepted by the Librarian under the first paragraph of this section may be invested or reinvested in the same manner as provided for trust funds under the second paragraph of section 2.''.

ARCHITECT OF THE CAPITOL

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $14,699,000, of which $3,910,000 shall remain available until expended.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $29,077,000: *Provided,* That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed $150,000: *Provided further,* That amounts of not more than $2,000,000, from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 1996 and 1997 to depository and other designated libraries.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: *Provided,* That not more than $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further,* That the revolving fund shall be available for the hire or purchase of not more than twelve passenger motor vehicles: *Provided further,* That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further,* That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: *Provided further,* That the revolving fund and the funds provided under the headings ''OFFICE OF SUPERINTENDENT OF DOCUMENTS'' and ''SALARIES AND EXPENSES'' together may not be available for the full-time equivalent employment of more than 3,550 workyears by the end of fiscal year 1998: *Provided further,* That activities financed through the revolving fund may provide information in any format: *Provided further,* That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15: *Provided further,* That expenses for attendance at meetings shall not exceed $75,000: *Provided further,* That, $1,500,000 may be expended on the certification of the Public Printer, for reimbursement to the General Accounting Office, for a management audit.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than $7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries; $346,751,000: *Provided,* That not more than $1,000,000 of reimbursements received incident to the operation of the General Accounting Office Building shall be available for use in fiscal year 1998: *Provided further,* That an additional amount of $4,404,000 shall be available by transfer from funds previously deposited in the special account established pursuant to 31 U.S.C. 782: *Provided further,* That notwithstanding 31 U.S.C. 9105 hereafter amounts reimbursed to the Comptroller General pursuant to that section shall be deposited to the appropriation of the General Accounting Office then available and remain available until expended, and not more than $2,000,000 of such funds shall be available for use in fiscal year 1998: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including the salary of the Executive Director and secretarial support: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further,* That $500,000 shall be available only for expenditure on studies and assessments, to be carried out by not-for-profit scientific, technological, or educational institutions, of the matters described in section 472(c) of title 2, United States Code: *Provided further,* That topics for studies and assessments under the previous proviso, and the institutions designated to carry out the studies and assessments, shall be selected by the voting members of the Technology Assessment Board under section 473 of title 2, United States Code, from among topics requested pursuant to paragraphs (1) or (2) of section 472(d) of such title.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Oversight and for the Senate issued by the Committee on Rules and Administration.

SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 1997 unless expressly so provided in this Act.

SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: *Provided,* That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104–1 to pay awards and settlements as authorized under such subsection.

SEC. 306. Section 316 of Public Law 101–302 is amended in the first sentence of subsection (a) by striking ''1997'' and inserting ''1998''.

SEC. 307. The Government Printing Office shall be considered an agency for the purposes of the election in section 801(b)(2)(B) of the National Energy Conservation Policy Act and the Public Printer shall be considered the head of the agency for purposes of subsection (b)(2)(C) of such section.

SEC. 308. RESIDENCE OF MEMBERS OF CONGRESS.—Section 113 of title 4, United States Code, is amended—

(1) in the section heading by striking ''for State income tax laws''; and

(2) by striking subsection (b) and inserting the following new subsections:

''(b) Notwithstanding any other provision of law, a Member of Congress and the Member's spouse, dependents, and staff shall be treated as permanent residents and domiciliaries of the State or district which the Member represents, notwithstanding that the Member and the Member's spouse, dependents, and staff may be absent from, or may maintain a place of abode outside of, such State. A Member of Congress and the Member's spouse, dependents, and staff shall be entitled to the same rights, privileges, immunities, and benefits and shall be subject to the same responsibilities, taxation, and liabilities as other residents and domiciliaries who physically reside in such State, including maintaining a State driver's license, registering vehicles in such State (without regard to whether such vehicle is physically located in such State), registering to vote in

such State, and qualifying for benefits, loans, or other programs that such State may make available to other residents and domiciliaries who physically reside in such State.

''(c) For the purposes of this section—

''(1) the term 'Member of Congress' includes the delegates from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico;

''(2) the term 'State' includes the District of Columbia; and

''(3) the term 'dependents' includes any person—

''(A) who derives his or her support from a Member of Congress; and

''(B)(i) is a child of such Member who is age 23 or younger; or

''(ii) is a ward of such Member; and

''(4) the term 'staff' means any person who—

''(A) is in the employ of the Member of Congress for the purpose of assisting the Member in the performance of official duties; and

''(B) was resident and domiciliary of the State or district which the Member represents when such person entered the employ of the Member.

''(d) This section shall not apply to any spouse, dependent, or staff of a Member of Congress who claims residency or a domicile in a State other than the State which the Member represents or in which the Member's district is located.''.

(b) The chapter analysis for chapter 4 of title 4, United States Code, is amended in the item for section 113 by striking ''for State income tax laws''.

SEC. 309. (a) SEVERANCE PAY.—Section 5595 of title 5, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (D) by striking ''and'' after the semicolon; and

(B) by adding after subparagraph (E) the following new subparagraph:

''(F) the Office of the Architect of the Capitol, but only with respect to the United States Senate Restaurants; and'';

(2) in subsection (a)(2)—

(A) in clause (vii) by striking ''or'' after the semicolon;

(B) by redesignating clause (viii) as clause (ix) and inserting after clause (vii) the following:

''(viii) an employee of the United States Senate Restaurants of the Office of the Architect of the Capitol, who is employed on a temporary when actually employed basis; or''; and

(3) in subsection (b) by adding at the end the following: ''The Architect of the Capitol may prescribe regulations to effect the application and operation of this section to the agency specified in subsection (a)(1)(F) of this section.''.

(b) EARLY RETIREMENT.—(1) This subsection applies to an employee of the United States Senate Restaurants of the Office of the Architect of the Capitol who—

(A) voluntarily separates from service on or after the date of enactment of this Act and before October 1, 1999; and

(B) on such date of separation—

(i) has completed 25 years of service as defined under section 8331(12) or 8401(26) of title 5, United States Code; or

(ii) has completed 20 years of such service and is at least 50 years of age.

(2) Notwithstanding any provision of chapter 83 or 84 of title 5, United States Code, an employee described under paragraph (1) is entitled to an annuity which shall be computed consistent with the provisions of law applicable to annuities under section 8336(d) or 8414(b) of title 5, United States Code.

(c) VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—(1) In this subsection, the term ''employee'' means an employee of the United States Senate Restaurants of the Office of the Architect of the Capitol, serving without limitation, who has been currently employed for a continuous period of at least 12 months, except that such term shall not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under any of the retirement systems referred to in subparagraph (A); or

(C) an employee who is employed on a temporary when actually employed basis.

(2) Notwithstanding any other provision of law, in order to avoid or minimize the need for involuntary separations due to a reduction in force, reorganization, transfer of function, or other similar action affecting the agency, the Architect of the Capitol shall establish a program under which voluntary separation incentive payments may be offered to encourage not more than 50 eligible employees to separate from service voluntarily (whether by retirement or resignation) during the period beginning on the date of the enactment of this Act through September 30, 1999.

(3) Such voluntary separation incentive payments shall be paid in accordance with the provisions of section 5597(d) of title 5, United States Code. Any such payment shall not be a basis of payment, and shall not be included in the computation, of any other type of Government benefit.

(4)(A) Subject to subparagraph (B), an employee who has received a voluntary separation incentive payment under this section and accepts employment with the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay the entire amount of the incentive payment to the agency that paid the incentive payment.

(B)(i) If the employment is with an Executive agency (as defined by section 105 of title 5, United State Code), the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(ii) If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(iii) If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(C) For purposes of subparagraph (A) (but not subparagraph (B)), the term ''employment'' includes employment under a personal services contract with the United States.

(5) The Architect of the Capitol may prescribe regulations to carry out this subsection.

(d) COMPETITIVE SERVICE TREATMENT FOR CERTAIN EMPLOYEES.—(1) This subsection applies to any employee of the United States Senate Restaurants of the Office of the Architect of the Capitol who—

(A) is involuntarily separated from service on or after the date of the enactment of this Act and before October 1, 1999 (except by removal for cause on charges of misconduct or delinquency); and

(B) has performed any period of service employed in the Office of the Architect of the Capitol (including the United States Senate Restaurants) in a position in the excepted service as defined under section 2103 of title 5, United States Code.

(2) For purposes of applying for employment for any position in the executive branch (including for purposes of the administration of chapter 33 of title 5, United States Code, with respect to such employment application), any period of service described under paragraph (1)(B) of this subsection shall be deemed a period of service in the competitive service as defined under section 2102 of title 5, United States Code.

(3) This subsection shall—

(A) take effect on the date of enactment of this Act; and

(B) apply only to an employment application submitted by an employee during the 2-year period beginning on the date of such employee's separation from service described under paragraph (1)(A).

(e) RETRAINING, JOB PLACEMENT, AND COUNSELING SERVICES.—(1) In this subsection, the term ''employee''—

(A) means an employee of the United States Senate Restaurants of the Office of the Architect of the Capitol; and

(B) shall not include—

(i) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government; or

(ii) an employee who is employed on a temporary when actually employed basis.

(2) The Architect of the Capitol may establish a program to provide retraining, job placement, and counseling services to employees and former employees.

(3) A former employee may not participate in a program established under this subsection, if—

(A) the former employee was separated from service with the United States Senate Restaurants of the Office of the Architect of the Capitol for more than 1 year; or

(B) the separation was by removal for cause on charges of misconduct or delinquency.

(4) Retraining costs for the program established under this subsection may not exceed $5,000 for each employee or former employee.

(f) ADMINISTRATIVE PROVISIONS.—(1) The Architect of the Capitol—

(A) may use employees of the Office of the Architect of the Capitol to establish and administer programs and carry out the provisions of this section; and

(B) may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, to carry out such provisions—

(i) not subject to the 1 year of service limitation under such section 3109(b); and

(ii) at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(2) Funds to carry out subsections (a) and (c) may be expended only from funds available for the basic pay of the employee who is receiving the applicable payment.

(3) Funds to carry out subsection (e) may be expended from any funds made available to the Architect of the Capitol.

This Act may be cited as the ''Legislative Branch Appropriations Act, 1998''.

Mr. BENNETT. I further ask unanimous consent that the bill not be engrossed, that it remain at the desk pending receipt of the House companion measure.

I further ask unanimous consent that when the House companion measure is

received in the Senate, all after the enacting clause be stricken, except appropriations for the House of Representatives and House Office Buildings, and that the text of S. 1019, as passed, be inserted in lieu thereof, the Senate insist on its amendments, and request a conference with the House; and, finally, the Chair be authorized to appoint conferees on the part of the Senate.

I further ask unanimous consent that when the House bill is passed, pursuant to the previous order, the passage of S. 1019 be vitiated, and that S. 1019 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

Hearing no objection, so ordered.

I thank the Chair.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 15, 1997, the federal debt stood at $5,357,142,567,691.66. (Five trillion, three hundred fifty-seven billion, one hundred forty-two million, five hundred sixty-seven thousand, six hundred ninety-one dollars and sixty-six cents)

One year ago, July 15, 1996, the federal debt stood at $5,156,314,000,000. (Five trillion, one hundred fifty-six billion, three hundred fourteen million)

Five years ago, July 15, 1992, the federal debt stood at $3,976,930,000,000. (Three trillion, nine hundred seventy-six billion, nine hundred thirty million)

Ten years ago, July 15, 1987, the federal debt stood at $2,318,428,000,000. (Two trillion, three hundred eighteen billion, four hundred twenty-eight million)

Fifteen years ago, July 15, 1982, the federal debt stood at $1,083,163,000,000 (One trillion, eighty-three billion, one hundred sixty-three million) which reflects a debt increase of more than $4 trillion—$4,273,979,567,691.66 (Four trillion, two hundred seventy-three billion, nine hundred seventy-nine million, five hundred sixty-seven thousand, six hundred ninety-one dollars and sixty-six cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF AN AGREEMENT BETWEEN THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT—PM 53

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to 16 U.S.C. 1823(b), to the Committee on Commerce, Science, and Transportation, and to the Committee on Foreign Relations.

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the Government of the United States of America and the Government of the People's Republic of China Extending the Agreement of July 23, 1985, Concerning Fisheries Off the Coasts of the United States, with Annexes and Agreed Minutes, as amended and extended. This Agreement, which was effected by an exchange of notes at Beijing on June 6 and July 1, 1996, extends the 1985 Agreement to July 1, 1998.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement at an early date.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1997.*

MESSAGES FROM THE HOUSE

At 12 noon, a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it request the concurrence of the Senate.

H.R. 378. An act for the relief of Heraclio Tolley.

H.R. 584. An act for the relief of John Wesley Davis.

H.R. 1818. An act to amend the Juvenile and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1998, 1999, 2000, and 2001, and for other purposes.

H.R. 2107. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

H.R. 2035. An act to authorize transfer of naval vessels to certain foreign countries.

The message also announced that pursuant to the provisions of section 40003 of Public Law 105–18, the Chair announces the Speaker's appointment of the following members on the part of the House to the National Commission on the Cost of Higher Education: Mr. Martin Anderson of California, Mr. George Ulaldner of Pennsylvania, and Mr. Jonathan Brown of California.

ENROLLED BILL SIGNED

At 12:33 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following bill:

H.R. 2018. An act to waive temporarily the Medicaid enrollment composition rule for the Better Health Plan of Amherst, New York.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 378. An act for the relief of Heraclio Tolley; to the Committee on the Judiciary.

H.R. 1818. An act to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1998, 1999, 2000, and 2001, and for other purposes; to the Committee on the Judiciary.

H.R. 2107. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes; to the Committee on Appropriations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2494. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, a report relative to tar, nicotine, and carbon monoxide for calendar year 1994; to the Committee on Commerce, Science, and Transportation.

EC–2495. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, three rules received on June 30, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2496. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, fifteen rules received on July 3, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2497. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, a rule received on July 14, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2498. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, six rules received on June 30, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2499. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a rule received on June 30, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2500. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a rule

received on July 7, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2501. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, twelve rules received on July 10, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2502. A communication from the National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, a rule received on July 1, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2503. A communication from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, a rule received on June 27, 1997; to the Committee on Commerce, Science, and Transportation.

EC–2504. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, four rules; to the Committee on Commerce, Science, and Transportation.

EC–2505. A communication from the Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, four rules; to the Committee on Commerce, Science, and Transportation.

EC–2506. A communication from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, three rules; to the Committee on Commerce, Science, and Transportation.

EC–2507. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, two rules received on July 16, 1997; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–185. A resolution adopted by the Blount County (Tennessee) Legislative Body relative to the National Spallation Neutron Source; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREGG, from the Committee on Appropriations, without amendment:

S. 1022. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–48).

By Mr. CAMPBELL, from the Committee on Appropriations, without amendment:

S. 1023. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes (Rept. No. 105–49).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HAGEL (for himself, Mr. CLELAND, Mr. HUTCHINSON, Mr. DORGAN, Mr. BURNS, Mr. ROTH, Mr. FAIRCLOTH, Mr. HELMS, Mr. MOYNIHAN, Ms. LANDRIEU, Mr. REID, and Mr. CAMPBELL):

S. 1021. A bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes; to the Committee on Veterans Affairs.

By Mr. GREGG:

S. 1022. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. CAMPBELL:

S. 1023. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GRASSLEY (for himself, Mr. DASCHLE, and Mr. DURBIN):

S. 1024. A bill to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself, Mr. MACK, and Mr. GRASSLEY):

S. 1025. A bill to provide for a study of the South Florida High Intensity Drug Trafficking Area, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GORTON (for himself and Mrs. FEINSTEIN):

S. Res. 108. Resolution expressing the sense of the Senate on the European Commissions handling of the Boeing McDonnell-Douglas merger; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HAGEL (for himself, Mr. CLELAND, Mr. HUTCHINSON, Mr. DORGAN, Mr. BURNS, Mr. ROTH, Mr. FAIRCLOTH, Mr. HELMS, Mr. MOYNIHAN, Ms. LANDRIEU, Mr. REID), and Mr. CAMPBELL:

S. 1021. A bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes; to the Committee on Veterans Affairs.

THE VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1997

Mr. HAGEL. Mr. President, I rise today to introduce the Veterans Employment Opportunities Act of 1997, along with my good friend and distinguished colleague, Senator MAX CLELAND. We are joined by Senators HUTCHINSON of Arkansas, HELMS, DORGAN, ROTH, FAIRCLOTH, BURNS, LANDRIEU, MOYNIHAN, REID of Nevada, and CAMPBELL. This important piece of legislation is needed to help America's most deserving and self-sacrificing citizens, our veterans, to get and hold jobs with the Federal Government.

In 1944, the Congress enacted the first veterans employment preference legislation. That law was intended to assist service men and women returning from the battlefields of World War II in getting Federal Government jobs. Through the years many changes have taken place in the way we manage civil service personnel within our Government, and most recently there has been considerable focus on downsizing the Federal bureaucracy. One thing has not changed however, and that is that our veterans need to find employment when they return to civilian life.

This bill addresses the critical need to revise and make more ''user friendly'' those laws that help veterans to get Federal jobs, and to hold on to them as the Government downsizes. I want to emphasize that this bill does not guarantee anyone a job, but it does allow the sacrifices made by those who served in uniform to have their service recognized as they are considered along with others for Federal jobs.

The statistical evidence of need for this legislation tells a troubling story. When Federal job openings occur, the hiring official is sent a job referral list that includes the names of qualified applicants from which the job can be filled. The General Accounting Office [GAO] found that 71 percent of job referral lists were returned without hiring when a veteran headed the list. By contrast, 51 percent of nonveteran lists are returned. Not only are veterans not getting the preference that the statutes require, but too often, veterans are less likely than other applicants to be hired for a Federal job.

This bill will also end unfair designer RIFs that single out veterans for removal from the Federal work force during reductions in force. Perhaps more important, this bill makes a violation of this law a prohibited personnel practice, putting teeth in the law where none now exist.

I am proud to say that 19 military, veterans, and patriotic associations have indicated that such legislation is needed and that they strongly support this legislation.

Those who have made very special contributions to America and our way of life, ensuring freedom and individual liberties to all Americans, deserve recognition and fairness when applying for employment in Federal Government. Our veterans do not ask for special privileges. Fifty years ago this Nation made the decision to recognize the sacrifices and extra commitment made by

our veterans for America. This legislation ensures that special recognition will be provided.

I am very proud to join my friend and colleague, the distinguished Senator from Georgia, Senator MAX CLELAND, who himself has made tremendous contributions to this country.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1021

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Veterans Employment Opportunities Act of 1997''.

SEC. 2. EQUAL ACCESS FOR VETERANS.

(a) COMPETITIVE SERVICE.—Section 3304 of title 5, United States Code, is amended by adding at the end the following:

''(f)(1) No preference eligible, and no individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after 3 or more years of active service, shall be denied the opportunity to compete for an announced vacant position within an agency, in the competitive service or the excepted service, by reason of—

''(A) not having acquired competitive status; or

''(B) not being an employee of such agency.

''(2) Nothing in this subsection shall prevent an agency from filling a vacant position (whether by appointment or otherwise) solely from individuals on a priority placement list consisting of individuals who have been separated from the agency due to a reduction in force and surplus employees (as defined under regulations prescribed by the Office).''.

(b) CIVIL SERVICE EMPLOYMENT INFORMATION.—

(1) VACANT POSITIONS.—Section 3327(b) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

''(2) each vacant position in the agency for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position under paragraph (1), and''.

(2) ADDITIONAL INFORMATION.—Section 3327 of title 5, United States Code, is amended by adding at the end the following:

''(c) Any notification provided under this section shall, for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), include a notation as to the applicability of section 3304(f) with respect thereto.

''(d) In consultation with the Secretary of Labor, the Office shall submit to Congress and the President, no less frequently than every 2 years, a report detailing, with respect to the period covered by such report—

''(1) the number of positions listed under this section during such period;

''(2) the number of preference eligibles and other individuals described in section 3304(f)(1) referred to such positions during such period; and

''(3) the number of preference eligibles and other individuals described in section 3304(f)(1) appointed to such positions during such period.''.

(c) GOVERNMENTWIDE LISTS.—

(1) VACANT POSITIONS.—Section 3330(b) of title 5, United States Code, is amended to read as follows:

''(b) The Office of Personnel Management shall cause to be established and kept current—

''(1) a comprehensive list of all announcements of vacant positions (in the competitive service and the excepted service, respectively) within each agency that are to be filled by appointment for more than 1 year and for which applications are being or will soon be accepted from outside the agency's work force; and

''(2) a comprehensive list of all announcements of vacant positions within each agency for which applications are being or will soon be accepted and for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position required to be listed under paragraph (1).''.

(2) ADDITIONAL INFORMATION.—Section 3330(c) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

''(3) for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), a notation as to the applicability of section 3304(f) with respect thereto; and''.

(3) CONFORMING AMENDMENT.—Section 3330(d) of title 5, United States Code, is amended by striking ''The list'' and inserting ''Each list under subsection (b)''.

(d) PROVISIONS RELATING TO THE UNITED STATES POSTAL SERVICE.—

(1) IN GENERAL.—Subsection (a) of section 1005 of title 39, United States Code, is amended by adding at the end the following:

''(5)(A) The provisions of section 3304(f) of title 5 shall apply with respect to the Postal Service in the same manner and under the same conditions as if the Postal Service were an agency within the meaning of such provisions.

''(B) Nothing in this subsection shall be considered to require the application of section 3304(f) of title 5 in the case of any individual who is not an employee of the Postal Service if—

''(i) the vacant position involved is to be filled pursuant to a collective-bargaining agreement;

''(ii) the collective-bargaining agreement restricts competition for such position to individuals employed in a bargaining unit or installation within the Postal Service in which the position is located;

''(iii) the collective-bargaining agreement provides that the successful applicant shall be selected on the basis of seniority or qualifications; and

''(iv) the position to be filled is within a bargaining unit.

''(C) The provisions of this paragraph shall not be modified by any program developed under section 1004 of this title or any collective-bargaining agreement entered into under chapter 12 of this title.''.

(2) CONFORMING AMENDMENT.—The first sentence of section 1005(a)(2) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title, subject to paragraph (5) of this subsection.''.

SEC. 3. SPECIAL PROTECTIONS FOR PREFERENCE ELIGIBLES IN REDUCTIONS IN FORCE.

(a) IN GENERAL.—Section 3502 of title 5, United States Code, as amended by section 1034 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 430), is amended by adding at the end the following:

''(g)(1) A position occupied by a preference eligible shall not be placed in a single-position competitive level if the preference eligible is qualified to perform the essential functions of any other position at the same grade (or occupational level) in the competitive area. In such cases, the preference eligible shall be entitled to be placed in another competitive level for which such preference eligible is qualified. If the preference eligible is qualified for more than one competitive level, such preference eligible shall be placed in the competitive level containing the most positions.

''(2) For purposes of paragraph (1)—

''(A) a preference eligible shall be considered qualified to perform the essential functions of a position if, by reason of experience, training, or education (and, in the case of a disabled veteran, with reasonable accommodation), a reasonable person could conclude that the preference eligible would be able to perform those functions successfully within a period of 150 days; and

''(B) a preference eligible shall not be considered unqualified solely because such preference eligible does not meet the minimum qualification requirements relating to previous experience in a specified grade (or occupational level), if any, that are established for such position by the Office of Personnel Management or the agency.

''(h) In connection with any reduction in force, a preference eligible whose current or most recent performance rating is at least fully successful (or the equivalent) shall have, in addition to such assignment rights as are prescribed by regulation, the right, in lieu of separation, to be assigned to any position within the agency conducting the reduction in force—

''(1) for which such preference eligible is qualified under subsection (g)(2)—

''(A) that is within the preference eligible's commuting area and at the same grade (or occupational level) as the position from which the preference eligible was released, and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force if, within 12 months prior to the date on which such individual was so placed in such position, such individual had been employed in the same competitive area as the preference eligible; or

''(B) that is within the preference eligible's competitive area and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force; or

''(2) for which such preference eligible is qualified that is within the preference eligible's competitive area and that is not more than 3 grades (or pay levels) below that of the position from which the preference eligible was released, except that, in the case of a preference eligible with a compensable service-connected disability of 30 percent or more, this paragraph shall be applied by substituting '5 grades' for '3 grades'.

In the event that a preference eligible is entitled to assignment to more than 1 position under this subsection, the agency shall assign the preference eligible to any such position requiring no reduction (or, if there is no such position, the least reduction) in basic pay. A position shall not, with respect to a preference eligible, be considered to satisfy the requirements of paragraph (1) or (2), as applicable, if it does not last for at least 12 months following the date on which such preference eligible is assigned to such position under this subsection.

''(i) A preference eligible may challenge the classification of any position to which the preference eligible asserts assignment

rights (as provided by, or prescribed by regulations described in, subsection (h)) in an action before the Merit Systems Protection Board.

''(j)(1) Not later than 90 days after the date of the enactment of the Veterans Employment Opportunities Act of 1997, each Executive agency shall establish an agencywide priority placement program to facilitate employment placement for employees who—

''(A)(i) are scheduled to be separated from service due to a reduction in force under—

''(I) regulations prescribed under this section; or

''(II) procedures established under section 3595; or

''(ii) are separated from service due to such a reduction in force; and

''(B)(i) have received a rating of at least fully successful (or the equivalent) as the last performance rating of record used for retention purposes; or

''(ii) occupy positions excluded from a performance appraisal system by law, regulation, or administrative action taken by the Office of Personnel Management.

''(2)(A) Each agencywide priority placement program under this subsection shall include provisions under which a vacant position shall not (except as provided in this paragraph or any other statute providing the right of reemployment to any individual) be filled by the appointment or transfer of any individual from outside of that agency (other than an individual described in subparagraph (B)) if—

''(i) there is then available any individual described in subparagraph (B) who is qualified for the position; and

''(ii) the position—

''(I) is at the same grade or pay level (or the equivalent) or not more than 3 grades (or grade intervals) below that of the position last held by such individual before placement in the new position;

''(II) is within the same commuting area as the individual's last-held position (as referred to in subclause (I)) or residence; and

''(III) has the same type of work schedule (whether full-time, part-time, or intermittent) as the position last held by the individual.

''(B) For purposes of an agencywide priority placement program, an individual shall be considered to be described in this subparagraph if such individual—

''(i)(I) is an employee of such agency who is scheduled to be separated, as described in paragraph (1)(A)(i); or

''(II) is an individual who became a former employee of such agency as a result of a separation, as described in paragraph (1)(A)(ii), excluding any individual who separated voluntarily under subsection (f); and

''(ii) satisfies clause (i) or (ii) of paragraph (1)(B).

''(3)(A) If after a reduction in force the agency has no positions of any type within the local commuting areas specified in this subsection, the individual may designate a different local commuting area where the agency has continuing positions in order to exercise reemployment rights under this subsection. An agency may determine that such designations are not in the interest of the Government for the purpose of paying relocation expenses under subchapter II of chapter 57.

''(B) At its option, an agency may administratively extend reemployment rights under this subsection to include other local commuting areas.

''(4)(A) In selecting employees for positions under this subsection, the agency shall place qualified present and former employees in retention order by veterans' preference subgroup and tenure group.

''(B) An agency may not pass over a qualified present or former employee to select an individual in a lower veterans' preference subgroup within the tenure group, or in a lower tenure group.

''(C) Within a subgroup, the agency may select a qualified present or former employee without regard to the individual's total creditable service.

''(5) An individual is eligible for reemployment priority under this subsection for 2 years from the effective date of the reduction in force from which the individual will be, or has been, separated under this section or section 3595, as the case may be.

''(6) An individual loses eligibility for reemployment priority under this subsection when the individual—

''(A) requests removal in writing;

''(B) accepts or declines a bona fide offer under this subsection or fails to accept such an offer within the period of time allowed for such acceptance, or

''(C) separates from the agency before being separated under this section or section 3595, as the case may be.

A present or former employee who declines a position with a representative rate (or equivalent) that is less than the rate of the position from which the individual was separated under this section retains eligibility for positions with a higher representative rate up to the rate of the individual's last position.

''(7) Whenever more than one individual is qualified for a position under this subsection, the agency shall select the most highly qualified individual, subject to paragraph (4).

''(8) The Office of Personnel Management shall issue regulations to implement this subsection.''.

(b) APPLICABILITY.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by this section shall apply with respect to—

(A) reductions in force taking effect after the end of the 90-day period beginning on the date of the enactment of this Act; or

(B) in the case of the Department of Defense, reductions in force taking effect after the end of the 1-year period beginning on the date of the enactment of this Act.

(2) ONGOING REDUCTIONS IN FORCE.—If an agency has given written notice of a reduction in force to any of its employees within a competitive area, in accordance with section 3502(d)(1)(A) of title 5, United States Code, before the effective date under subparagraph (A) or (B) of paragraph (1), as applicable, then, for purposes of determining the rights of any employee within such area in connection with such reduction in force, the amendments made by this section shall be treated as if they had never been enacted. Nothing in the preceding sentence shall affect any rights under a priority placement program under section 3502(j) of title 5, United States Code, as amended by this section.

SEC. 4. IMPROVED REDRESS FOR VETERANS.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

''§ 3330a. Administrative redress

''(a)(1) Any preference eligible or other individual described in section 3304(f)(1) who alleges that an agency has violated such individual's rights under any statute or regulation relating to veterans' preference, or any right afforded such individual by section 3304(f), may file a complaint with the Secretary of Labor.

''(2) A complaint under this subsection must be filed within 60 days after the date of the alleged violation, and the Secretary shall process such complaint in accordance with sections 4322 (a) through (e)(1) and 4326 of title 38.

''(b)(1) If the Secretary of Labor is unable to resolve the complaint within 60 days after the date on which it is filed, the complainant may elect to appeal the alleged violation to the Merit Systems Protection Board in accordance with such procedures as the Merit Systems Protection Board shall prescribe, except that in no event may any such appeal be brought—

''(A) before the 61st day after the date on which the complaint is filed under subsection (a); or

''(B) later than 15 days after the date on which the complainant receives notification from the Secretary of Labor under section 4322(e)(1) of title 38.

''(2) An appeal under this subsection may not be brought unless—

''(A) the complainant first provides written notification to the Secretary of Labor of such complainant's intention to bring such appeal; and

''(B) appropriate evidence of compliance with subparagraph (A) is included (in such form and manner as the Merit Systems Protection Board may prescribe) with the notice of appeal under this subsection.

''(3) Upon receiving notification under paragraph (2)(A), the Secretary of Labor shall not continue to investigate or further attempt to resolve the complaint to which such notification relates.

''(c) This section shall not be construed to prohibit a preference eligible from appealing directly to the Merit Systems Protection Board from any action which is appealable to the Board under any other law, rule, or regulation, in lieu of administrative redress under this section.

''§ 3330b. Judicial redress

''(a) In lieu of continuing the administrative redress procedure provided under section 3330a(b), a preference eligible or other individual described in section 3304(f)(1) may elect, in accordance with this section, to terminate those administrative proceedings and file an action with the appropriate United States district court not later than 60 days after the date of the election.

''(b) An election under this section may not be made—

''(1) before the 121st day after the date on which the appeal is filed with the Merit Systems Protection Board under section 3330a(b); or

''(2) after the Merit Systems Protection Board has issued a judicially reviewable decision on the merits of the appeal.

''(c) An election under this section shall be made, in writing, in such form and manner as the Merit Systems Protection Board shall by regulation prescribe. The election shall be effective as of the date on which it is received, and the administrative proceeding to which it relates shall terminate immediately upon the receipt of such election.

''§ 3330c. Remedy

''(a) If the Merit Systems Protection Board (in a proceeding under section 3330a) or a court (in a proceeding under section 3330b) determines that an agency has violated a right described in section 3330a, the Board or court (as the case may be) shall order the agency to comply with such provisions and award compensation for any loss of wages or benefits suffered by the individual by reason of the violation involved. If the Board or court determines that such violation was willful, it shall award an amount equal to backpay as liquidated damages.

''(b) A preference eligible or other individual described in section 3304(f)(1) who prevails in an action under section 3330a or 3330b shall be awarded reasonable attorney fees, expert witness fees, and other litigation expenses.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by

adding after the item relating to section 3330 the following:

''3330a. Administrative redress.
''3330b. Judicial redress.
''3330c. Remedy.''.

SEC. 5. EXTENSION OF VETERANS' PREFERENCE.

(a) AMENDMENT TO TITLE 5, UNITED STATES CODE.—Paragraph (3) of section 2108 of title 5, United States Code, is amended by striking ''the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service, or the General Accounting Office;'' and inserting ''or the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service;''.

(b) AMENDMENTS TO TITLE 3, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 2 of title 3, United States Code, is amended by adding at the end the following:

''§ 115. Veterans' preference

''(a) Subject to subsection (b), appointments under sections 105, 106, and 107 shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5.

''(b) Subsection (a) shall not apply to any appointment to a position the rate of basic pay for which is at least equal to the minimum rate established for positions in the Senior Executive Service under section 5382 of title 5 and the duties of which are comparable to those described in section 3132(a)(2) of such title or to any other position if, with respect to such position, the President makes certification—

''(1) that such position is—

''(A) a confidential or policy-making position; or

''(B) a position for which political affiliation or political philosophy is otherwise an important qualification; and

''(2) that any individual selected for such position is expected to vacate the position at or before the end of the President's term (or terms) of office.

Each individual appointed to a position described in the preceding sentence as to which the expectation described in paragraph (2) applies shall be notified as to such expectation, in writing, at the time of appointment to such position.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by adding at the end the following:

''115. Veterans' preference.''.

(c) LEGISLATIVE BRANCH APPOINTMENTS.—

(1) DEFINITIONS.—For the purposes of this subsection, the terms ''employing office'', ''covered employee'', and ''Board'' shall each have the meaning given such term by section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(2) RIGHTS AND PROTECTIONS.—The rights and protections established under section 2108, sections 3309 through 3312, and subchapter I of chapter 35, of title 5, United States Code, shall apply to covered employees.

(3) REMEDIES.—

(A) IN GENERAL.—The remedy for a violation of paragraph (2) shall be such remedy as would be appropriate if awarded under applicable provisions of title 5, United States Code, in the case of a violation of the relevant corresponding provision (referred to in paragraph (2)) of such title.

(B) PROCEDURE.—The procedure for consideration of alleged violations of paragraph (2) shall be the same as apply under section 401 of the Congressional Accountability Act of 1995 (and the provisions of law referred to therein) in the case of an alleged violation of part A of title II of such Act.

(4) REGULATIONS TO IMPLEMENT SUBSECTION.—

(A) IN GENERAL.—The Board shall, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. 1384), issue regulations to implement this subsection.

(B) AGENCY REGULATIONS.—The regulations issued under subparagraph (A) shall be the same as the most relevant substantive regulations (applicable with respect to the executive branch) promulgated to implement the statutory provisions referred to in paragraph (2) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this subsection.

(C) COORDINATION.—The regulations issued under subparagraph (A) shall be consistent with section 225 of the Congressional Accountability Act of 1995 (2 U.S.C. 1361).

(5) APPLICABILITY.—Notwithstanding any other provision of this subsection, the term ''covered employee'' shall not, for purposes of this subsection, include an employee—

(A) whose appointment is made by the President with the advice and consent of the Senate;

(B) whose appointment is made by a Member of Congress or by a committee or subcommittee of either House of Congress; or

(C) who is appointed to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(6) EFFECTIVE DATE.—Paragraphs (2) and (3) shall be effective as of the effective date of the regulations under paragraph (4).

(d) JUDICIAL BRANCH APPOINTMENTS.—

(1) IN GENERAL.—Subject to paragraphs (2) through (4), the Judicial Conference of the United States shall prescribe regulations to provide for—

(A) veterans' preference in the consideration of applicants for employment, and in the conduct of any reductions in force, within the judicial branch; and

(B) redress procedures for alleged violations of any rights provided for under subparagraph (A).

(2) REGULATIONS TO BE BASED ON EXISTING PROVISIONS.—Under the regulations—

(A) a preference eligible (as defined by section 2108 of title 5, United States Code) shall be afforded preferences similar to those under sections 3309 through 3312, and subchapter I of chapter 35, of such title 5; and

(B) the redress procedures provided for shall be similar to those under the amendments made by section 4.

(3) EXCLUSIONS.—Nothing in the regulations shall apply with respect to—

(A) an appointment made by the President, with the advice and consent of the Senate;

(B) an appointment as a judicial officer;

(C) an appointment as a law clerk or secretary to a justice or judge of the United States; or

(D) an appointment to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(4) CONSULTATION.—The regulations under this subsection shall be prescribed by the Judicial Conference of the United States, in consultation with—

(A) the largest congressionally chartered veterans' service organization;

(B) 2 congressionally chartered veterans' service organizations that represent former noncommissioned officers;

(C) a congressionally chartered veterans' service organization that represents veterans who have fought in foreign wars;

(D) a congressionally chartered veterans' service organization that represents veterans with service-connected disabilities;

(E) a congressionally chartered veterans' service organization that represents veterans of the Vietnam era; and

(F) a congressionally chartered veterans' service organization that represents veterans of World War II, the Korean conflict, the Vietnam era, and the Persian Gulf War.

(5) DEFINITIONS.—For purposes of this subsection—

(A) the term ''judicial officer'' means a justice, judge, or magistrate judge listed in subparagraph (A), (B), (F), or (G) of section 376(a)(1) of title 28, United States Code; and

(B) the term ''justice or judge of the United States'' has the meaning given such term by section 451 of such title 28.

(6) SUBMISSION TO CONGRESS; EFFECTIVE DATE.—

(A) SUBMISSION TO CONGRESS.—Within 5 months after the date of the enactment of this Act, the Judicial Conference of the United States shall submit a copy of the regulations prescribed under this subsection to the Committee on Government Reform and Oversight and the Committee on the Judiciary of the House of Representatives and the Committee on Governmental Affairs and the Committee on the Judiciary of the Senate.

(B) EFFECTIVE DATE.—The regulations prescribed under this subsection shall take effect 6 months after the date of the enactment of this Act.

SEC. 6. VETERANS' PREFERENCE REQUIRED FOR REDUCTIONS IN FORCE IN THE FEDERAL AVIATION ADMINISTRATION.

Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended by striking ''and'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting ''; and'', and by adding at the end the following:

''(8) sections 3501–3504, as such sections relate to veterans' preference.''.

SEC. 7. DEFINITIONAL AMENDMENT.

Subparagraph (A) of section 2108(1) of title 5, United States Code, is amended by inserting ''during a military operation in a qualified hazardous duty area (within the meaning of the first 2 sentences of section 1(b) of Public Law 104–117) and in accordance with requirements that may be prescribed in regulations of the Secretary of Defense,'' after ''for which a campaign badge has been authorized,''.

SEC. 8. FAILURE TO COMPLY WITH VETERANS' PREFERENCE REQUIREMENTS TO BE TREATED AS A PROHIBITED PERSONNEL PRACTICE FOR CERTAIN PURPOSES.

(a) IN GENERAL.—Subsection (b) of section 2302 of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (10);

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10) the following:

''(11)(A) knowingly take, recommend, or approve any personnel action if the taking of such action would violate a veterans' preference requirement; or

''(B) knowingly fail to take, recommend, or approve any personnel action if the failure to take such action would violate a veterans' preference requirement; or''.

(b) DEFINITION; LIMITATION.—Section 2302 of title 5, United States Code, is amended by adding at the end the following:

''(e)(1) For the purpose of this section, the term 'veterans' preference requirement' means any of the following provisions of law:

''(A) Sections 2108, 3305(b), 3309, 3310, 3311, 3312, 3313, 3314, 3315, 3316, 3317(b), 3318, 3320, 3351, 3352, 3363, 3501, 3502(b), 3504, and 4303(e) and (with respect to a preference eligible referred to in section 7511(a)(1)(B)) subchapter II of chapter 75 and section 7701.

''(B) Sections 943(c)(2) and 1784(c) of title 10.

''(C) Section 1308(b) of the Alaska National Interest Lands Conservation Act.

''(D) Section 301(c) of the Foreign Service Act of 1980.

''(E) Sections 106(f), 7281(e), and 7802(5) of title 38.

''(F) Section 1005(a) of title 39.

''(G) Any other provision of law that the Director of the Office of Personnel Management designates in regulations as being a veterans' preference requirement for the purposes of this subsection.

''(H) Any regulation prescribed under subsection (b) or (c) of section 1302 and any other regulation that implements a provision of law referred to in any of the preceding subparagraphs.

''(2) Notwithstanding any other provision of this title, no authority to order corrective action shall be available in connection with a prohibited personnel practice described in subsection (b)(11). Nothing in this paragraph shall be considered to affect any authority under section 1215 (relating to disciplinary action).''.

(c) REPEALS.—

(1) PROVISIONS OF TITLE 10, UNITED STATES CODE.—Section 1599c of title 10, United States Code, and the item relating to such section in the table of sections at the beginning of chapter 81 of such title are repealed.

(2) SECTION 2302(a)(1) OF TITLE 5, UNITED STATES CODE.—Subsection (a)(1) of section 2302 of title 5, United States Code, is amended to read as follows:

''(a)(1) For the purpose of this title, 'prohibited personnel practice' means any action described in subsection (b).''.

(d) SAVINGS PROVISION.—This section shall be treated as if it had never been enacted for purposes of any personnel action (within the meaning of section 2302 of title 5, United States Code) preceding the date of the enactment of this Act.

Mr. CLELAND. Mr. President, I want to compliment the distinguished Senator from Nebraska on his tremendous work and the work of his staff in putting together this legislation. He and his team have worked closely with me and my staff. This legislation is a result of their efforts.

It is my pleasure to join my distinguished colleague, Senator HAGEL, in cosponsorship of this important bill to improve our veterans preference system. As the former head of the Veterans Administration myself, I certainly see the need for it.

During World War II, America decided to pay special recognition to the men and women who have defended our freedom by serving in the armed forces. The Veterans Preference Act has been the law of the land since 1944. The premise of this law is simple. When veterans return to civilian life after serving in combat, they are given a preference if all other factors are equal when they seek to work for the Federal Government. I do not think anyone could argue with offering such a preference to the men and women of who risked their lives in service to this Nation.

That simple premise still holds true today. While we live in a time of relative peace, the sacrifices made by our men and women in uniform who serve in or near combat are just as great. We must remain steadfast in our commitment to our veterans.

Unfortunately, after over 50 years of operation, the preference is not working as intended. Today, many veterans do not receive the hiring preference guaranteed to them. It brings to my mind a quote from one of Wellington's troops:

> In time of war and not before, God and the soldier men adore. But in time of peace with all things righted, God is forgotten and the soldier slighted.

We are slighting our soldiers by not honoring a commitment made to them in recognition of their sacrifice. There is compelling anecdotal evidence that leads us to believe that the current law is not working. Furthermore, the General Accounting Office has concluded through its review of the veterans preference program that in many instances, veterans are less likely than other applicants to be hired for Federal jobs.

We believe this is wrong. We need to put more teeth in our veterans preference law.

Our bill has seven simple parts to it.

First, it will create an effective redress system for men and women whose veterans preference rights are violated.

Second, it will remove artificial barriers that bar qualified veterans from competing for Federal jobs.

Third, it will prohibit unfair personnel practices which rig the system against job protection rights of veterans.

Fourth, it will provide enhanced opportunity for veterans to find other Federal jobs during reductions in force.

Fifth, it will extend the veterans preference to nonpolitical jobs in the legislative and judicial branches and the White House.

Sixth, our bill will make a violation of veterans preference laws a prohibited personnel practice, providing enhanced for disciplinary measure for those who wilfully violate the law.

Finally, the measure extends the preference to those men and women now serving in Bosnia.

Our bill is supported by all of the major veterans service organizations including The American Legion, AMVETS, the Veterans of Foreign Wars, the Retired Enlisted Association, the Air Force Sergeants Association, the Blinded American Veterans Foundation, the Blinded Veterans Association, the Disabled Veterans, the Fleet Reserve Association, the Jewish War Veterans of the USA, the Korean War Veterans Association, the Military Order of the Purple Heart, the National Association for Uniformed Services, the National Military and Veterans Alliance, the Naval Reserve Association, the Noncommissioned Officers Association, the Paralyzed Veterans of America, and the Vietnam Veterans of America.

As a Vietnam Veteran, I look forward to working with my fellow Vietnam Veteran, Senator HAGEL, on passing this critical legislation to strengthen the veterans preference program. I urge the support of my colleagues and this bill's swift passage.

I yield the floor.

By Mr. GRASSLEY (for himself, Mr. DURBIN, and Mr. DASCHLE)

S. 1024. A bill to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; to the Committee on the Judiciary.

THE FAMILY FARMER PROTECTION ACT OF 1997

Mr. GRASSLEY. Mr. President, I rise today to introduce the Working Family Farmer Protection Act of 1997. As the only family farmer in the Senate, I feel I have a unique responsibility to make sure that family farming remains a strong and vibrant part of American life. For generations, family farms have fed this country. But the global marketplace presents some new and unique challenges to the family farmer. That's why I'm introducing the Family Farmer Protection Act today, on behalf of myself and Senator DURBIN.

This bill makes chapter 12 of the Bankruptcy Code permanent. Currently, chapter 12 is due to expire in 1998, and I think it would be a terrible error if this Congress did not act now to reauthorize chapter 12 on a permanent basis.

In order to understand why we need to make chapter 12 permanent, I think we have to go back a decade or so to the 1980's farm crisis. During the mid-1980's, the agricultural economy in the Midwest took a sharp downturn. And many family farmers were forced into bankruptcy. At that time, the only choice a family farmer had was to go into chapter 11 of the Bankruptcy Code. Under chapter 11, the creditors form a committee and help to draw up a reorganization plan. Most family farms only had one major creditor—the bank with the mortgage on the farm. And that one creditor was able to keep farmers from reorganizing in an effective way. As a result, the family farmers who filed chapter 11 were frequently forced out of farming. In short, the family farm was on a fast track to extinction, and family farmers were fast becoming an endangered species.

That's why in 1986 I drafted an entirely new chapter of the Bankruptcy Code to preserve the family farm. That chapter is chapter 12. Chapter 12 simply limits the power of the bank to exercise a veto over a farmer's reorganization plan.

I think it's very important to realize that chapter 12 is not a handout or a get-out-of-debt-free card. Farmers are hard-working people who want the chance to earn their way. In fact, chapter 12 is modeled on chapter 13, where individuals set up plans to repay a portion of their debts.

Chapter 12 has been wildly successful. So many times in Washington we develop programs and laws with the best of intentions. But when these programs get to the real world, they don't work well. Chapter 12, on the other hand, has worked exactly as intended. According to a recent University of Iowa study, 74 percent of family farmers who filed

chapter 12 bankruptcy are still farming and 61 percent of farmers who went through chapter 12 believe that chapter 12 was helpful in getting farmers back on their feet.

In conclusion, chapter 12 works and it works well. Let's make sure that we keep this safety net for family farmers in place. I urge my colleagues to think of this bill as a low-cost insurance policy for an important part of America's economy and America's heritage.

By Mr. GRAHAM (for himself, Mr. MACK, and Mr. GRASSLEY):

S. 1025. A bill to provide for a study of the south Florida high-intensity drug trafficking area, and for other purposes; to the Committee on the Judiciary.

EXPANSION OF SOUTH FLORIDA HIDTA TO INCLUDE I–4 CORRIDOR LEGISLATION

Mr. GRAHAM. Mr. President, today I am introducing a bill, cosponsored by Mr. MACK and Mr. GRASSLEY, which will expand the existing south Florida high-intensity drug trafficking area [HIDTA], to include the Interstate 4 corridor which runs between Daytona Beach and the Tampa Bay area in my home State of Florida.

Illegal drug activities continue to plague the State of Florida. In 1994, more than $5 billion in funds from cocaine traffic were laundered through south Florida and the I–4 corridor. Over 23 metric tons of cocaine were seized during that same time period. Over 250 organized drug trafficking groups have been identified as operating between south Florida and the I–4 corridor. These statistic are staggering. While some progress is being made to limit the spread of illegal drugs, there is still a lot of work to be done. I continuously hear from the law enforcement personnel operating along the I–4 corridor that they are being overwhelmed by the growth in drug trafficking activities in that area. Drug traffickers are becoming increasingly proficient in distributing drugs. They are using high technology equipment to evade detection. They have an extensive communications network, and almost unlimited funds with which to pursue their illegal activities. Current law enforcement assets are simply no match for the highly organized drug operators. Seized assets from drug traffickers in this area during 1996 included over $425 million in currency and property. The basic problem is how do we compete with these highly funded and well equipped drug trafficking organizations?

I repeatedly hear the same story from the Drug Enforcement Administration, the Customs Service, the FBI, and the Florida Department of Law Enforcement; they need help. This is a problem which impacts not only the State of Florida, but it also impacts the entire Nation as illegal drugs are distributed from the I–4 corridor to other parts of the country.

The statistics on the growth of the drug industry along the I–4 corridor are sobering. Nationwide, cheap, high purity heroin is making a comeback in popularity, and demand is on the rise. The drug syndicates are meeting the growing demands. Cocaine continues as a popular recreational drug. As long as there is a demand, drug dealers continue to find ways to meet that demand. Despite a massive education and public awareness campaign to warn teenagers about the dangers of drug use, teen drug arrests have more than doubled in the past 5 years. Some of those arrested are as young as 12 years old. In the Orlando area, over 1,500 teens between the ages of 12 and 17 years old were arrested for using or selling illegal drugs in 1995. The city of Orlando, through which the I–4 corridor runs, ranked fifth in the Nation for cocaine-related deaths per capita in 1995. Other crimes such as shootings, carjackings, robbery, and gang activities are byproducts of the drug problem, and are also on the rise in our local communities. We are truly battling for the lives of our young people.

There is a general feeling of despair among the various agencies trying to combat this problem. We need to be proactive in helping them. Because of its central location, the I–4 corridor is emerging as a hub used increasingly by international drug syndicates to distribute their goods throughout the Nation. This is a problem which affects us all. The use of illegal drugs and drug related deaths are increasing at an alarming rate.

As we saw with the establishment of a HIDTA in south Florida, a coordinated Federal, State, and local effort is the key to bringing this problem under control. This HIDTA has proven itself as a model of efficiency and effectiveness in controlling the expansion of drug activities in the area. The existing south Florida HIDTA is a model of the results which can occur when the various law enforcement agencies mount a coordinated battle with a unified strategy of engagement. We have seen moderation in the drug related incidents since the south Florida HIDTA was established in 1990. In fact, the success of the south Florida HIDTA is partially responsible for the increase in illegal drug activity along the I–4 corridor.

Expanding this successful HIDTA to include the I–4 corridor makes common sense. It will allow us to devote additional resources to combat a problem which has nationwide implications. By implementing a coordinated enforcement strategy directed at combating the problems of illegal drugs and violent crime, we demonstrate to the drug community that we are dedicated to facing this battle head on—and finally, it will show that we are committed protecting the future of our young people.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. MOYNIHAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 22, a bill to establish a bipartisan national commission to address the year 2000 computer problem.

S. 25

At the request of Mr. MCCAIN, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 25, a bill to reform the financing of Federal elections.

S. 852

At the request of Mr. LOTT, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 885

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 885, a bill to amend the Electronic Fund Transfer Act to limit fees charged by financial institutions for the use of automatic teller machines, and for other purposes.

S. 951

At the request of Mr. TORRICELLI, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 951, a bill to reestablish the Office of Noise Abatement and Control in the Environmental Protection Agency.

S. 977

At the request of Mr. TORRICELLI, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 977, a bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal lands, and to designate certain Federal lands as Ancient Forests, Roadless Areas, Watershed Protection Areas, Special Areas, and Federal Boundary Areas where logging and other intrusive activities are prohibited.

S. 1013

At the request of Mr. FRIST, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 1013, a bill to provide for the guarantee of the payment of interest on loans to certain air carriers for the purchase of regional jet aircraft to improve air transportation to underserved markets, and for other purposes.

At the request of Mr. FRIST, the name of the Senator from Montana [Mr. BURNS] was withdrawn as a cosponsor of S. 1013, supra.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE CONCURRENT RESOLUTION 38

At the request of Mr. ROTH, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Concurrent Resolution 38, a concurrent resolution to state the sense of the Congress regarding the obligations of the People's Republic of China under the Joint Declaration and the Basic Law to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong SAR is elected democratically.

SENATE RESOLUTION 108—EXPRESSING THE SENSE OF THE SENATE

Mr. GORTON (for himself and Mrs. FEINSTEIN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 108

Whereas, The Boeing Company and McDonnell Douglas have announced their merger; and

Whereas, The Department of Defense has approved that merger as consistent with the national security of the United States; and

Whereas, The Federal Trade Commission has found that merger not to violate the anti-trust laws of the United States; and

Whereas, The European Commission has consistently criticized and threatened the merger before, during and after its consideration of the facts; and

Whereas, The sole true reason for the European Commission's criticism and imminent disapproval of the merger is to gain an unfair competitive advantage for Airbus, a government owned aircraft manufacturer;

Now therefore, It is the Sense of the Senate that any such disapproval on the part of the European Commission would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

The Senate suggests that the President take such actions as he deems appropriate to protect U.S. interests in connection therewith.

AMENDMENTS SUBMITTED

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

McCONNELL (AND LEAHY) AMENDMENT NO. 876

Mr. MCCONNELL (for himself and Mr. LEAHY) proposed an amendment to the bill (S. 955) making appropriations for foreign operations, export financing, related programs for the fiscal year ending September 30, 1998, and for other purposes; as follows:

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.

LEAHY (AND MCCONNELL) AMENDMENTS NOS. 877–879

Mr. MCCONNELL (for Mr. LEAHY, for himself and Mr. MCCONNELL) proposed three amendments to the bill, S. 955, supra; as follows:

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 Committees 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''.

McCONNELL (AND LEAHY) AMENDMENTS NOS. 880–882

Mr. MCCONNELL (for himself and Mr. LEAHY) proposed three amendments to the bill, S. 955, supra; as follows:

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. 2321h(b)(2)(B)) is amended by adding at the end 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—

(1) in subsection (b)(2), by striking the period and inserting the following: '', including providing the Congress with a report detailing all defense articles, defense services, and military education and training delivered to the recipient country or international organization upon delivery of such articles or upon completion of such services or education and training. Such report shall also include whether any savings were realized by utilizing commercial transport services rather than acquiring those services from United States Government transport assets.'';

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

''(c) For the purpose of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services that are acquired by contract for the purposes of the drawdown in question if the cost to acquire such commercial transportation and related services is less than the cost to the United States Government of providing such services from existing agency assets.''.

AMENDMENT NO. 881

On page 34, line 21, after the word ''Act'' insert the following: '': *Provided further,* That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).''

AMENDMENT NO. 882

On page 24, line 9 insert after the word ''resolution'' the following: ''*Provided further,*

That the Secretary shall submit such determination and certification prior to March 31, 1998.''

LEAHY (AND BIDEN) AMENDMENT NO. 883

Mr. MCCONNELL (for Mr. LEAHY, for himself and Mr. BIDEN) proposed an amendment to the bill, S. 955, supra; as follows:

On page 92, line 16, strike ''is authorized to'' and insert ''shall''.

On page 92, line 21, strike ''should'' and insert ''shall''.

BROWNBACK AMENDMENT NO. 884

Mr. BROWNBACK proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following:

SEC. . PROMOTION OF RELIGIOUS FREEDOM AND HUMAN RIGHTS.

(a) REPORTS.—Not later than March 30, 1998, and each subsequent year thereafter, the Secretary of State shall submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate an annual report on religious persecution on a country-by-country basis. Reports shall include a list of individuals who have been materially involved in the commission of acts of persecution that are motivated by a person's religion.

(b) PRISONER INFORMATION REGISTRY.—The Secretary of State shall establish a Prisoner Information Registry which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith on a country-by-country basis. Such information shall include the charges, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners. The Secretary of State is authorized to make funds available to nongovernmental organizations presently engaged in monitoring activities regarding such prisoners to assist in the creation and maintenance of the registry.

(c) SENSE OF CONGRESS CONCERNING ESTABLISHMENT OF A COMMISSION ON SECURITY AND COOPERATION IN ASIA.—It is the sense of the Congress that Congress, the President, and the Secretary of State should work with the governments of the People's Republic of China and other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. . UNITED STATES INTELLIGENCE ACTIVITIES RELATED TO MONITORING HUMAN RIGHTS ABUSES AND RELIGIOUS PERSECUTION.

(a) IN GENERAL.—The President shall devote additional personnel and resources to gathering intelligence information regarding human rights abuses and acts of religious persecution.

(b) REPORT.—Not later than March 30, 1998, the President shall submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate a report on the number of personnel and resources that are being devoted to gathering intelligence information regarding human rights abuses and acts of religious persecution.

MCCONNELL (AND OTHERS) AMENDMENT NO. 885

Mr. MCCONNELL (for himself, Mr. LEAHY, Mr. STEVENS, Mr. BYRD, and Mr. ABRAHAM) proposed an amendment to the bill, S. 955, supra; as follows:

On page 17, line 14, strike the number ''$2,585,100,000'' and insert in lieu thereof, ''$2,541,150,000''.

On page 17, line 20, after the word ''later:'' insert ''*Provided further,* That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years:''

On page 33, line 26, strike the number ''$3,265,000,000'' and insert in lieu thereof ''$3,308,950,000''.

On page 34, line 3, after the word ''Israel'' insert '', and not less than $1,300,000,000 shall be made available for grants only for Egypt.''

MCCONNELL (AND OTHERS) AMENDMENT NO. 886

Mr. MCCONNELL (for himself, Mr. LEAHY, Mr. ROBB, Mr. KERREY, and Mr. HAGEL) proposed an amendment to the bill, S. 955, supra; as follows:

On page 11, line 14 strike all after the word ''Of'' through page 12, line 13, ending with the number ''1997.'' and insert in lieu thereof the following: ''None of the funds appropriated by this Act may be made available for activities or programs in Cambodia until the Secretary of State determines and reports to the Committees on Appropriations that the Government of Cambodia has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; and (5) eliminated corruption and collaboration with narcotics smugglers: *Provided,* That the previous proviso shall not apply to humanitarian programs or other activities administered by nongovernmental organizations: *Provided further,* That 30 days after enactment of this Act, the Secretary of State, in consultation with the Director of the Federal Bureau of Investigations, shall report to the Committees on Appropriations on the results of the FBI investigation into the bombing attack in Phnom Penh on March 30, 1997.''

MCCONNELL (AND OTHERS) AMENDMENT NO. 887

Mr. MCCONNELL (for himself, Mr. LEAHY, Mr. KERREY, and Mr. HAGEL) proposed an amendment to the bill, S. 955, supra; as follows:

On page 96, line 20 strike all after the word ''Cambodia'' through page 97, line 2, ending with the word ''smugglers.'' and insert in lieu thereof the following: ''has: (1) not been established in office by the use of force or a coup d'etat; (2) discontinued all political violence and intimidation of journalists and members of opposition parties; (3) established an independent election commission; (4) protected the rights of voters, candidates, and election observers and participants by establishing laws and procedures guaranteeing freedom of speech and assembly; and (5) eliminated corruption and collaboration with narcotics smugglers.''

SMITH OF OREGON (AND OTHERS) AMENDMENT NO. 888

Mr. SMITH of Oregon (for himself, Mr. NICKLES, Mr. THOMAS, Mr. HUTCHINSON, Mr. GORTON, Mr. BRYAN, Mr. KEMPTHORNE, Mr. HELMS, Mr. D'AMATO, Mr. BENNETT, and Mr. SMITH of New Hampshire) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place in the bill, insert the following new section, the renumber the remaining sections accordingly:

SEC. . TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION.

None of the funds appropriated under this Act may be made available for the Government of Russian Federation unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has enacted no statute or promulgated no executive order that would discriminate, or would have as its principal effect discrimination, against religious minorities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a signatory, including the European Convention and the 1989 Vienna Concluding Document of the Conference on Security and Cooperation in Europe.

SMITH OF OREGON (AND OTHERS) AMENDMENT NO. 889

Mr. SMITH of Oregon (for himself, Mr. NICKLES, Mr. KEMPTHORNE, Mr. BRYAN, and Mr. REID) proposed an amendment to the bill, S. 955, supra; as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION.

None of the funds appropriated under this Act may be made available for the Government of Russian Federation unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has enacted no statute or promulgated no executive order that would discriminate, or would have as its principal effect discrimination, against religious minorities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a signatory, including the European Convention and the 1989 Vienna Concluding Document of the Conference on Security and Cooperation in Europe.

This section shall become effective one day after the enactment of this bill.

HUTCHINSON AMENDMENT NO. 890

Mr. HUTCHINSON proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place in the bill insert the following: ''It is the sense of the Senate that the nondiscriminatory treatment extended to the People's Republic of China on

May 29, 1997, pursuant to section 402(c) of the Trade Act of 1974 should be withdrawn.''

ALLARD AMENDMENT NO. 891

Mr. ALLARD proposed an amendment to the bill, S. 955, supra; as follows:

On page 4, line 22, strike ''$32,000,000'' and insert ''$21,000,000''.

BROWNBACK AMENDMENT NO. 892

Mr. BROWNBACK proposed an amendment to the bill, S. 955, supra; as follows:

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

SEC. . SENSE OF THE SENATE REGARDING SUPPORT FOR COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.

Congress makes the following findings:

(1) the ancient Silk Road, once the economic lifeline of Central Asia and the South Caucasus, traversed much of the territory now within the countries of Armenia, Azerbijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

(2) Economic interdependence spurred mutual cooperation among the peoples along the Silk Road and restoration of the historic relationships and economic ties between those peoples is an important element of ensuring their sovereignty as well as the success of democratic and market reforms.

(3) The development of strong political and economic ties between countries of the South Caucasus and Central Asia and the West will foster stability in the region.

(4) The development of open market economies and open democratic systems in the countries of the South Caucasus and Central Asia will provide positive incentives for international private investment, increased trade, and other forms of commercial interactions with the rest of the world.

(5) The Caspian Sea Basin, overlapping the territory of the countries of the South Caucasus and Central Asia, contains proven oil and gas reserves that may exceed $4,000,000,000,000 in value.

(6) The region of the South Caucasus and Central Asia will provide oil and gas in sufficient quantities to reduce the dependence of the United States on energy from the volatile Persian Gulf region.

(7) United States foreign policy and international assistance should be narrowly targeted to support the economic and political independence of the countries of the South Caucasus and Central Asia.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the policy of the United States in the countries of the South Caucasus and Central Asia should be—

(1) to promote sovereignty and independence with democratic government;

(2) to assist actively in the resolution of regional conflicts;

(3) to promote friendly relations and economic cooperation; and

(4) to help promote market-oriented principles and practices;

(5) to assist in the development of infrastructure necessary for communications, transportation, and energy and trade on an East-West axis in order to build strong international relations and commerce between those countries and the stable, democratic, and market-oriented countries of the Euro-Atlantic Community; and

(6) to support United States business interests and investments in the region.

(c) DEFINITION.—In this section, the term ''countries of the South Caucasus and Central Asia'' means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan.

GORTON (AND OTHERS) AMENDMENT NO. 893

Mr. GORTON (for himself, Mr. DURBIN, Mr. MCCONNELL, and Mr. D'AMATO) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING ESTONIA, LATVIA, AND LITHUANIA.

It is the sense of the Senate that Estonia, Latvia, and Lithuania—

(1) are to be commended for their progress toward political and economic reform and meeting the guidelines for prospective NATO members;

(2) would make an outstanding contribution to furthering the goals of NATO and enhancing stability, freedom, and peace in Europe should they become NATO members; and

(3) upon complete satisfaction of all relevant criteria should be invited to become full NATO members at the earliest possible date.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 894

Mr. MURKOWSKI (for himself, Mr. MCCAIN, and Mr. NICKLES) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following: ''*Provided further,* That funds appropriated under this heading to the Korean Peninsula Economic Development Organization (KEDO) may only be obligated if the Secretary of State certifies and reports to the Congress that during the fiscal year the military armistice agreement of 1953 has not been violated by North Korea.''

BINGAMAN AMENDMENTS NOS. 895–896

Mr. BINGAMAN proposed two amendments to the bill, S. 955, supra; as follows:

AMENDMENT NO. 895

At the appropriate place, insert the following:

SEC. . TRAVEL TO CUBA.

(a) PROHIBITION.—The President shall not restrict travel to Cuba by United States citizens or other persons subject to the jurisdiction of the United States, except in the case in which the United States is at war, where armed hostilities are in progress in or around Cuba, or where there is imminent danger to the public health or the physical safety of the United States travelers to Cuba.

(b) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

(c) DEFINITION.—For purposes of this section the term ''United States'' includes the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States.

AMENDMENT NO. 896

At the appropriate place, insert the following:

SEC. . PROTECTION OF HUMANITARIAN EFFORTS.

Notwithstanding any provision of law to the contrary.

(1) no person subject to U.S. law as it pertains to expenditures of money in Cuba shall be prohibited from sending to his or her parent, sibling, spouse, or child currently residing in Cuba small amounts of money (not to exceed $200 per month) to be used for the purchase of basic necessities, including food, clothing, household supplies, rent, medicines, and medical care;

(2) Each person subject to U.S. law as it pertains to expenditures of money in Cuba in relation to travel to Cuba shall be free to travel without limitation for periods not to exceed 30 days per any one trip to attend to a medical emergency involving, or to attend the funeral of, such person's parent, sibling, spouse, or child; and

(3) the United States government shall not be prohibited from participating in humanitarian relief efforts of multilateral organizations of which the United States is a member, where such humanitarian relief efforts are made in the aftermath of a natural disaster on the island of Cuba.

BOXER (AND OTHERS) AMENDMENT NO. 897

Mrs. BOXER (for herself, Mr. ALLARD, Mr. SMITH of New Hampshire, Mr. LEAHY, and Mr. TORRICELLI) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert:

WILDLIFE CONSERVATION

SEC. . Of the funds appropriated by this Act, not more than $2,900,000 may be made available for the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) in Zimbabwe: *Provided,* That none of the funds appropriated by this Act may be used to directly finance the trophy hunting of elephants or other endangered species as defined in the convention on International Trade in Endangered Species of Flora and Fauna (CITES) or the Endangered Species Act: Provided further, That the funds appropriated by this Act that are provided under the CAMPFIRE program may not be used for activities with the express intent to lobby or otherwise influence international conventions or treaties, or United States government decision makers: *Provided further,* That funds appropriated by this Act that are made available for the CAMPFIRE program may be used only in Zimbabwe for the purpose of maximizing benefits to rural people while strengthening natural resources management institutions: *Provided further,* That not later than March 1, 1998, the Administrator of the Agency for International Development shall submit a report to the appropriate congressional committees describing the steps taken to implement the CAMPFIRE program, the impact of the program on the people and wildlife of CAMPFIRE districts, alternatives to trophy hunting as a means of generating income for CAMPFIRE districts, and a description of how funds made available for CAMPFIRE in fiscal year 1998 are to be used.

SPECTER AMENDMENT NO. 898

Mr. SPECTER proposed an amendment to the bill, S. 955, supra; as follows:

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

SEC. . RESTRICTION ON ASSISTANCE MADE TO THE PALESTINIAN AUTHORITY.

None of the funds appropriated or otherwise made available by this Act may be obligated or expended with respect to providing funds to the Palestinian Authority, unless the President certifies to Congress that:

(1) the Palestinian Authority is using its maximum efforts to combat terrorism, and, in accordance with the Oslo Accords, has ceased the use of violence, threat of violence, or incitement to violence as a tool of the Palestinian Authority's policy toward Israel;

(2) after a full investigation by the Department of Justice, the Executive branch of Government concludes that Chairman Arafat had no prior knowledge of the World Trade Center bombing; and

(3) after a full inquiry by the Department of State, the Executive branch of government concludes that Chairman Arafat did not authorize and did not fail to use his authority to prevent the Tel Aviv cafe bombing of March 21, 1997.

HARKIN (AND OTHERS) AMENDMENT NO. 899

Mr. HARKIN (for himself, Mr. WARNER, Mr. TORRICELLI, Mr. SANTORUM, and Mr. JOHNSON) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . DEMOCRACY-BUILDING ACTIVITY IN PAKISTAN.

(a) OPIC.—Section 239(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2199(f)) is amended by inserting '', or Pakistan'' after ''China''.

(b) TRAINING ACTIVITY.—Section 638(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2398(b)) is amended—

(1) by inserting ''or any activity to promote the development of democratic institutions'' after ''activity''; and

(2) by inserting '', Pakistan,'' after ''Brazil''.

(c) TRADE AND DEVELOPMENT.—It is the sense of Congress that the Director of the Trade and Development Agency should use funds made available to carry out the provisions of section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421) to promote United States exports to Pakistan.

DODD (AND OTHERS) AMENDMENT NO. 900

Mr. DODD (for himself, Mr. MCCAIN, Mr. DASCHLE, Mr. LUGAR, Mr. DOMENICI, Mrs. HUTCHISON, Mr. COCHRAN, Mr. HAGEL, Mr. WARNER, Mr. KERREY, and Mr. INOUYE) proposed an amendment to the bill, S. 955, supra; as follows:

On page 102, between lines 9 and 10, insert the following:

TEMPORARY SUSPENSION OF DRUG CERTIFICATION PROCEDURES

SEC. 575. (a) FINDINGS.—Congress makes the following findings:

(1) The international drug trade poses a direct threat to the United States and to international efforts to promote democracy, economic stability, human rights, and the rule of law.

(2) The United States has a vital national interest in combating the financial and other resources of the multinational drug cartels, which resources threaten the integrity of political and financial institutions both in the United States and abroad.

(3) Approximately 12,800,000 Americans use illegal drugs, including 1,500,000 cocaine users, 600,000 heroin addicts, and 9,800,000 marijuana users.

(4) Illegal drug use occurs among members of every ethnic and socioeconomic group in the United States.

(5) Drug-related illness, death, and crime cost the United States approximately $67,000,000,000 in 1996, including costs for lost productivity, premature death, and incarceration.

(6) Worldwide drug trafficking generates revenues estimated at $400,000,000,000 annually.

(7) The United States has spent more than $25,000,000,000 for drug interdiction and source country counternarcotics programs since 1981, and despite impressive seizures at the border, on the high seas, and in other countries, illegal drugs from foreign sources are cheaper and more readily available in the United States today than 20 years ago.

(8) The 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances form the legal framework for international drug control cooperation.

(9) The United Nations International Drug Control Program, the International Narcotics Control Board, and the Organization of American States can play important roles in facilitating the development and implementation of more effective multilateral programs to combat both domestic and international drug trafficking and consumption.

(10) The annual certification process required by section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), which has been in effect since 1986, has failed to foster bilateral or multilateral cooperation with United States counternarcotics programs because its provisions are vague and inconsistently applied and fail to acknowledge that United States narcotics programs have not been fully effective in combating consumption or trafficking in illegal drugs, and related crimes, in the United States.

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

(1) existing United States domestic and international counternarcotics program have not reduced the supply of illegal drugs or significantly reduced domestic consumption of such drugs;

(2) the President should appoint a high level task force of foreign policy experts, law enforcement officials, and drug specialists to develop a comprehensive program for addressing domestic and international drug trafficking and drug consumption and related crimes, with particular attention to fashioning a multilateral framework for improving international cooperation in combating illegal drug trafficking, and should designate the Director of the Office of National Drug Policy to chair the task force;

(3) the President should call upon the heads of state of major illicit drug producing countries, major drug transit countries, and major money laundering countries to establish similar high level task forces to work in coordination with the United States; and

(4) not later than one year after the date of enactment of this Act, the President should call for the convening of an international summit of all interested governments to be hosted by the Organization of American States or another international organization mutually agreed to by the parties, for the purpose of reviewing the findings and recommendations of the task forces referred to in paragraphs (1) and (2) and adopting a counternarcotics plan of action for each country.

(c) SUSPENSION OF DRUG CERTIFICATION PROCESS.—(1) Section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), relating to annual certification procedures for assistance for certain drug-producing and drug-transit countries, shall not apply in 1998 and 1999.

(2) The President may waive the applicability of that section in 2000 if the President determines that the waiver would facilitate the enhancement of United States international narcotics control programs.

DODD AMENDMENT NO. 901

Mr. DODD proposed an amendment to amendment No. 900 proposed by him to the bill, S. 955, supra; as follows:

Strike all after the first word in the pending amendment and add in lieu thereof the following—

SUSPENSION OF DRUG CERTIFICATION PROCEDURES.

SEC. 575. (a) FINDINGS.—Congress makes the following findings:

(1) The international drug trade poses a direct threat to the United States and to international efforts to promote democracy, economic stability, human rights, and the rule of law.

(2) The United States has a vital national interest in combating the financial and other resources of the multinational drug cartels, which resources threaten the integrity of political and financial institutions both in the United States and abroad.

(3) Approximately 12,800,000 Americans use illegal drugs, including 1,500,000 cocaine users, 600,000 heroin addicts, and 9,800,000 marijuana users.

(4) Illegal drug use occurs among members of every ethnic and socioeconomic group in the United States.

(5) Drug-related illness, death, and crime cost the United States approximately $67,000,000,000 in 1996, including costs for lost productivity, premature death, and incarceration.

(6) Worldwide drug trafficking generates revenues estimated at $400,000,000,000 annually.

(7) The United States has spent more than $25,000,000,000 for drug interdiction and source country counternarcotics programs since 1981, and despite impressive seizures at the border, on the high seas, and in other countries, illegal drugs from foreign sources are cheaper and more readily available in the United States today than 20 years ago.

(8) The 1961 Single Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances form the legal framework for international drug control cooperation.

(9) The United Nations International Drug Control Program, the International Narcotics Control Board, and the Organization of American States can play important roles in facilitating the development and implementation of more effective multilateral programs to combat both domestic and international drug trafficking and consumption.

(10) The annual certification process required by section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), which has been in effect since 1986, has failed to foster bilateral or multilateral cooperation with United States counternarcotics programs because its provisions are vague and inconsistently applied and fail to acknowledge that United States narcotics programs have not been fully effective in combating consumption or trafficking in illegal drugs, and related crimes, in the United States.

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

(1) existing United States domestic and international counternarcotics programs have not reduced the supply of illegal drugs or significantly reduced domestic consumption of such drugs;

(2) the President should appoint a high level task force of foreign policy experts, law enforcement officials, and drug specialists to develop a comprehensive program for addressing domestic and international drug

trafficking and drug consumption and related crimes, with particular attention to fashioning a multilateral framework for improving international cooperation in combating illegal drug trafficking, and should designate the Director of the Office of National Drug Policy to chair the task force;

(3) the President should call upon the heads of state of major illicit drug producing countries, major drug transit countries, and major money laundering countries to establish similar high level task forces to work in coordination with the United States; and

(4) not later than one year after the date of enactment of this Act, the President should call for the convening of an international summit of all interested governments to be hosted by the Organization of American States or another international organization mutually agreed to by the parties, for the purpose of reviewing the findings and recommendations of the task forces referred to in paragraphs (1) and (2) and adopting a counternarcotics plan of action for each country.

(c) SUSPENSION OF DRUG CERTIFICATION PROCESS.—(1) Section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), relating to annual certification procedures for assistance for certain drug-producing and drug-transit countries, shall not apply in 1998 and 1999.

(2) The President may waive the applicability of that section in 2000 if the President determines prior to December 31, 1999 that the waiver would facilitate the enhancement of United States international narcotics control programs.

GORTON (AND OTHERS) AMENDMENT NO. 902

Mr. GORTON (for himself, Mrs. FEINSTEIN, Mrs. MURRAY, and Mrs. BOXER) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following:

The Boeing Company and McDonnell Douglas have announced their merger; and

The Department of Defense has approved that merger as consistent with the national security of the United States; and

The Federal Trade Commission has found that merger not to violate the antitrust laws of the United States; and

The European Commission has consistently criticized and threatened the merger before, during, and after its consideration of the facts; and

The sole true reason for the European Commission criticism and imminent disapproval of the merger is to gain an unfair competitive advantage for Airbus, a government-owned aircraft manufacturer;

Now therefore, It is the sense of the Senate that any such disapproval on the part of the European Commission would constitute an unwarranted and unprecedented interference in a United States business transaction that would threaten thousands of American aerospace jobs; and

The Senate suggests that the President take such actions as he deems appropriate to protect U.S. interests in connection therewith.

DEWINE AMENDMENT NO. 903

Mr. DEWINE proposed an amendment to the bill, S. 955, supra; as follows:

On page 10, line 4, strike ''Institute.'' and insert ''Institute: *Provided further,* That of the funds made available under this heading for Haiti, up to $250,000 may be made available to support a program to assist Haitian children in orphanages.''.

On page 18, line 2, before the period insert the following: '': *Provided further,* That of the amount appropriated under this heading, not less than $500,000 shall be available only for the Special Investigative Unit (SIU) of the Haitian National Police''.

On page 93, strike lines 7 through 24 and insert the following:

LIMITATION ON ASSISTANCE FOR HAITI

SEC. . (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be provided to the Government of Haiti unless the President reports to Congress that the Government of Haiti—

(1) is conducting thorough investigations of extrajudicial and political killings;

(2) is cooperating with United States authorities in the investigations of political and extrajudicial killings;

(3) has made demonstrable progress in privatizing major governmental parastatals, including demonstrable progress toward the material and legal transfer of ownership of such parastatals; and

(4) has taken action to remove from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights.

(b) EXCEPTIONS.—The limitation in subsection (a) does not apply to the provision of humanitarian, electoral, counter narcotics, or development assistance.

(c) WAIVER.—The President may waive the requirements of this section on a semiannual basis if the President determines and certifies to the appropriate committees of Congress that such waiver is in the national interest of the United States.

(d) PARASTATALS DEFINED.—As used in this section, the term ''parastatal'' means a government-owned enterprise.

KYL AMENDMENTS NOS. 904–905

Mr. MCCONNELL (for Mr. KYL) proposed two amendments to the bill, S. 955, supra; as follows:

AMENDMENT NO. 904

On page 23, line 17, insert after *''Provided,''* the following: ''That of the funds made available for Ukraine under this subsection, not less than $25,000,000 shall be available only for comprehensive legal restructuring necessary to support a decentralized market-oriented economic system, including the enactment of all necessary substantive commercial law and procedures, the implementation of reforms necessary to establish an independent judiciary and bar, the education of judges, attorneys, and law students in the comprehensive commercial law reforms, and public education designed to promote understanding of commercial law necessary to Ukraine's economic independence: *Provided further,''.*

AMENDMENT NO. 905

On page 25, line 24, insert after ''reactor'' the following: ''or ballistic missiles''

BAUCUS AMENDMENT NO. 906

Mr. MCCONNELL (for Mr. BAUCUS) proposed an amendment to the bill, S. 955, supra; as follows:

On page 102, between lines 9 and 10, insert the following:

USE OF FUNDS FOR THE UNITED STATES-ASIA ENVIRONMENTAL PARTNERSHIP

SEC. . Notwithstanding any other provision of law that restricts assistance to foreign countries, funds appropriated by this or any other Act making appropriations pursuant to part I of the Foreign Assistance Act of 1961 that are made available for the United States-Asia Environmental Partnership may be made available for activities for the People's Republic of China.

ENZI (AND OTHERS) AMENDMENT NO. 907

Mr. MCCONNELL (for Mr. ENZI for himself, Mr. KERRY, and Mr. BYRD) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place in the bill, insert the new section as follows:

SEC. . REQUIREMENTS FOR THE REPORTING TO CONGRESS OF THE COSTS TO THE FEDERAL GOVERNMENT ASSOCIATED WITH THE PROPOSED AGREEMENT TO REDUCE GREENHOUSE GAS EMISSIONS.

(a) The President shall provide to the Congress a detailed account of all federal agency obligations and expenditures for climate change programs and activities, domestic and international, for FY 1997, planned obligations for such activities in FY 1998, and any plan for programs thereafter in the context of negotiations to amend the Framework Convention on Climate Change (FCCC) to be provided to the appropriate congressional committees no later than October 15, 1997.

HAGEL (AND SARBANES) AMENDMENT NO. 908

Mr. MCCONNELL (for Mr. HAGEL for himself and Mr. SARBANES) proposed an amendment to the bill, S. 955, supra; as follows:

On page 102, between lines 9 and 10, insert the following:

SEC. . AUTHORITY TO ISSUE INSURANCE AND EXTEND FINANCING.

(a) IN GENERAL.—Section 235(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)) is amended—

(1) by striking paragraphs (1) and (2)(A) and inserting the following:

''(1) INSURANCE AND FINANCING.—(A) The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 234(a), and the amount of financing issued under sections 234 (b) and (c), shall not exceed in the aggregate $29,000,000,000.'';

(2) by redesignating paragraph (3) as paragraph (2); and

(3) by amending paragraph (2) (as so redesignated) by striking ''1997'' and inserting ''1999''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 235(a) of that Act (22 U.S.C. 2195(a)), as redesignated by subsection (a), is further amended by striking ''(a) and (b)'' and inserting ''(a), (b), and (c)''.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 909

Mr. MCCONNELL (for Mr. LAUTENBERG, for himself, Mr. KENNEDY, Mr. MOYNIHAN, Mr. D'AMATO, Mr. TORRICELLI, and Ms. MIKULSKI) proposed an amendment to the bill, S. 955, supra; as follows:

On page 102, between lines 9 and 10, insert the following:

WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING UNITED NATIONS SANCTIONS AGAINST LIBYA

SEC. 575. (a) WITHHOLDING OF ASSISTANCE.—Except as provided in subsection (b), whenever the President determines and certifies

to Congress that the government of any country is violating any sanction against Libya imposed pursuant to United Nations Security Council Resolution 731, 748, or 883, then not less than 5 percent of the funds allocated for the country under section 653(a) of the Foreign Assistance Act of 1961 out of appropriations in this Act shall be withheld from obligation and expenditure for that country.

(b) EXCEPTION.—The requirement to withhold funds under subsection (a) shall not apply to funds appropriated in this Act for allocation under section 653(a) of the Foreign Assistance Act of 1961 for development assistance or for humanitarian assistance.

LEAHY AMENDMENT NO. 910

Mr. MCCONNELL (for Mr. LEAHY) proposed an amendment to the bill, S. 955, supra; as follows:

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

SEC. . WAR CRIMES PROSECUTION.

(a) Section 2401 of Title 18, United States Code (Public Law 104–192; the War Crimes Act of 1996) is amended as follows:

(1) in subsection (a), by striking ''commits a grave breach of the Geneva Conventions'' and inserting in lieu thereof ''commits a war crime'';

(2) in subsection (b)—

(A) by striking ''the person committing such breach or the victim of such breach'' and inserting in lieu thereof ''the person committing such crime or the victim of such crime''; and

(B) by inserting before the period at the end of the subsection ''or that the person committing such crime is later found in the United States after such crime is committed'';

(3) in subsection (c)—

(A) by striking ''the term 'grave breach of the Geneva Conventions' means conduct defined as'' and inserting in lieu thereof ''the term 'war crime' means conduct (1) defined as''; and

(B) by inserting the following before the period at the end: ''; (2) prohibited by Articles 23, 25, 27, or 28 of the Annex to the Hague Convention IV, Respecting the Laws and Customs of War on Land, signed on October, 1907; (3) which constitutes a violation of common Article 3 of the international conventions signed at Geneva on August 1949; or (4) of a person who, in relation to an armed conflict and contrary to the provisions of the Protocol on Prohibitions or Restrictions on the Use of Mines, Booby-traps and Other Devices as amended at Geneva on 3 May 1996 (Protocol II as amended on 3 May 1996), when the United States is a party to such Protocol, willfully kills or causes serious injury to civilians'';

(4) by adding a new subsection (d) to read as follows:

''(d) NOTIFICATION.—No prosecution of any crime prohibited in this section shall be undertaken by the United States except upon the written notification to the Congress by the Attorney General or his designee that in his judgment a prosecution by the United States is in the national interest and necessary to secure substantial justice.''.

DOMENICI AMENDMENT NO. 911

Mr. MCCONNELL (for Mr. DOMENICI) proposed an amendment to the bill, S. 955, supra; as follows:

On page 28, line 19 after the word ''country'' insert the following: ''*Provided further,* That of this amount not to exceed $5 million shall be allocated to operate the Western Hemisphere International Law Enforcement Academy under the auspices of the Organization of American States with full oversight by the Department of State.''

DODD (AND OTHERS) AMENDMENT NO. 912

Mr. MCCONNELL (for Mr. DODD, for himself, Mr. LEAHY, and Mr. JEFFORDS) proposed an amendment to the bill, S. 955, supra; as follows:

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

REFORM AND REVIEW OF UNITED STATES SPONSORED TRAINING PROGRAMS

SEC. . (a) FINDINGS.—Congress makes the following findings:

(1) United States training of members of Latin American military and security forces that occurred primarily at the Army School of the Americas between 1982 and 1991 has been severely criticized for promoting practices that have contributed to the violation of human rights and have otherwise been inconsistent with the appropriate role of the Armed Forces in a democratic society.

(2) Numerous members of Latin American military and security forces who have participated in United States sponsored training programs, have subsequently been identified as having masterminded, participated in, or sought to cover up some of the most heinous human rights abuses in the region.

(3) United States interests in Latin America would be better served if Latin American military personnel were exposed to training programs designed to promote—

(A) proper management of scarce national defense resources,

(B) improvements in national systems of justice in accordance with internationally recognized principles of human rights, and

(C) greater respect and understanding of the principle of civilian control of the military.

(4) In 1989, Congress mandated that the Department of Defense institute new training programs (commonly referred to as expanded IMET) with funds made available for international military and education programs in order to promote the interests described in paragraph (3). Congress also expanded the definition of eligibility for such training to include non-defense government personnel from countries in Latin America.

(5) Despite congressionally mandated emphasis on expanded IMET training programs, only 4 of the more than 50 courses offered annually at the United States Army School of the Americas qualify as expanded IMET.

(b) LIMITATION OF USE OF FUNDS.—Notwithstanding any other provision of law, none of the funds appropriated in this Act under the heading relating to international military education and training may be made available for training members of any Latin American military or security force until—

(1) the Secretary of Defense has advised the Secretary of State in writing that 30 percent of IMET funds appropriated for fiscal year 1998 for the cost of Latin American participants in IMET programs will be disbursed only for the purpose of supporting enrollment of such participants in expanded IMET courses; and

(2) the Secretary of State has identified sufficient numbers of qualified, non-military personnel from countries in Latin America to participate in IMET programs during fiscal year 1998 in consultation with the Secretary of Defense, and has instructed United States embassies in the hemisphere to approve their participation in such programs so that not less than 25 percent of the individuals from Latin American countries attending United States supported IMET programs are civilians.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of State shall report in writing to the appropriate committees of Congress on the progress made to improve military training of Latin American participants in the areas of human rights and civilian control of the military. The Secretary shall include in the report plans for implementing additional expanded IMET programs for Latin America during the next 3 fiscal years.

TORRICELLI AMENDMENT NO. 913

Mr. MCCONNELL (for Mr. TORRICELLI) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert the following:

SEC. . LIBERATION TIGERS OF TAMIL EELAM.

SENSE OF SENATE.—It is the sense of the Senate that the Department of State should list the Liberation Tigers of Tamil Eelam as a terrorist organization.

DURBIN AMENDMENT NO. 914

Mr. MCCONNELL (for Mr. DURBIN) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place in the bill insert the following:

LIMITATION ON INTERNATIONAL MILITARY EDUCATION AND TRAINING ASSISTANCE FOR PERU

SEC. . None of the funds appropriated or otherwise made available by this Act may be provided to the Government of Peru for international military education and training under chapter 5 of part II of the Foreign Assistance Act of 1961, unless the President certifies to Congress that the Government of Peru is taking all necessary steps to ensure that United States citizens held in prisons in Peru are accorded timely, open, and fair legal proceedings in civilian courts.

LEAHY (AND OTHERS) AMENDMENT NO. 915

Mr. MCCONNELL (for Mr. LEAHY, for himself, Mr. LUGAR, and Mr. SARBANES) proposed an amendment to the bill, S. 955, supra; as follows:

On page 43, line 3 after the word ''(IAEA).'' insert the following new section:

SEC. . AUTHORIZATION REQUIREMENT FOR INTERNATIONAL FINANCIAL INSTITUTIONS.

(a) The Secretary of the Treasury may, to fulfill commitments of the United States, (1) effect the United States participation in the first general capital increase of the European Bank for Reconstruction and Development, subscribe to and make payment for 100,000 additional shares of the capital stock of the Bank on behalf of the United States; and (2) contribute on behalf of the United States to the eleventh replenishment of the resources of the International Development Association, to the sixth replenishment of the resources of the Asian Development Fund, a special fund of the Asian Development Bank. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: (1) $285,772,500 for paid-in capital, and $984,327,500 for callable capital of the European Bank for Reconstruction and Development; (2) $1,600,000,000 for the International Development Association; (3) $400,000,000 for the Asian Development Fund; and (4) $76,832,001 for paid-in capital, and $4,511,156,729 for callable capital of

the Inter-American Development Bank in connection with the eighth general increase in the resources of that Bank. Each such subscription or contribution shall be subject to obtaining the necessary appropriations.

(b) Section 17 of the Bretton Woods Agreement Act, as amended (22 U.S.C. 286e–2 et seq.) is amended as follows:

(1) Section 17(a) is amended by striking ''and February 24, 1983'' and inserting instead ''February 24, 1983, and January 27, 1997''; and by striking ''4,250,000,000'' and inserting instead ''6,712,000,000''.

(2) Section 17(b) is amended by striking ''4,250,000,000'' and inserting instead ''6,712,000,000''.

(3) Section 17(b) is amended by inserting ''or the Decision of January 27, 1997,'' after ''February 24, 1983,''; and by inserting ''or the New Arrangements to Borrow, as applicable'' before the period at the end.

(c) The authorizations under this section are subject to the Senate Foreign Relations Committee reporting out an * * *.

D'AMATO (AND OTHERS) AMENDMENT NO. 916

Mr. MCCONNELL (for Mr. D'AMATO, for himself, Mr. HELMS, and Mr. FAIRCLOTH) proposed an amendment to the bill, S. 955, supra; as follows:

On page 42, line 4, insert after the period the following: ''Notwithstanding any other provision of law, none of the funds appropriated under this heading may be made available until the relevant Committees of Congress have reviewed the new arrangements for borrowing by the International Monetary Fund provided for under this heading and authorizing legislation for such borrowing has been enacted.''.

LEAHY AMENDMENT NO. 917

Mr. MCCONNELL (for Mr. LEAHY) proposed an amendment to the bill, S. 955, supra; as follows:

On page 30, line 9, after the word ''Act'' insert ''or the Foreign Assistance Act of 1961''.

FAIRCLOTH AMENDMENT NO. 918

Mr. MCCONNELL (for Mr. FAIRCLOTH) proposed an amendment to the bill, S. 955, supra; as follows:

At the appropriate place, insert:

None of the funds appropriated or otherwise made available by this Act may be provided to the Government of the Congo until such time as the President reports in writing to the Congress that the Government of Congo is cooperating fully with investigators from the United Nations or any other international relief organizations in accounting for human rights violations or atrocities committed in Congo or adjacent countries.

LOTT (AND OTHERS) AMENDMENT NO. 919

Mr. MCCONNELL (for Mr. LOTT, for himself, Mr. LIEBERMAN, Mr. SMITH of Oregon, Mr. HOLLINGS, Mr. SHELBY, Mr. ROTH, Mr. BIDEN, Mr. DEWINE, Mr. COATS, Mr. HAGEL, Mr. FRIST, and Mr. MCCONNELL) proposed an amendment to the bill, S. 955, supra; as follows:

On page 34, and the end of line 21 strike the period and insert: ": *Provided further,* That $60,000,000 of the funds appropriated or otherwise made available under this heading shall be made available for the purpose of facilitation the integration of Poland, Hungary, and the Czech Republic into the North Atlantic Treaty Organization: *Provided further,* That, to carry out funding the previous proviso, all or part of the $60,000,000 may be derived by transfer notwithstanding any other provision of law, from titles I, II, III, and IV of this Act.''

THE LEGISLATIVE BRANCH APPROPRIATIONS ACT FOR FISCAL YEAR 1998

BINGAMAN AMENDMENT NO. 920

Mr. BENNETT (for Mr. BINGAMAN) proposed an amendment to the bill (S. 1019) making appropriations for the legislative branch for the fiscal year ending September 30, 1998, and for other purposes; as follows:

On page 38, line 2, insert before the period the following: ": *Provided further,* That $4500,000 shall be available only or expenditure on studies and assessments, to be carried out by not-for-profit scientific, technological, or educational institutions, of the matters described in section 472(c) of title 2, United States Code: *Provided further,* That topics for studies and assessments under the previous proviso, and the institutions designated to carry out the studies and assessments, shall be selected by the voting members of the Technology Assessment Board under section 473 of title 2, United States Code, from among topics requested pursuant to paragraphs (1) or (2) of section 472(d) of such title''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, July 16, 1997 at 9 a.m. in SR–328A to receive testimony regarding energy security and agricultural energy issues.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing Wednesday, July 16, 1997, at 9:30 a.m., to receive testimony from Jamie Rappaport Clark, nominated by the President to be Director, U.S. Fish and Wildlife Service.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 16, 1997, at 2 p.m. to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MCCONNELL. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee Special Investigation to meet on Wednesday, July 16, 1997, at 10 a.m. for a hearing on campaign financing issues.

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

COMMITTEE ON THE JUDICIARY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 16, 1997, at 10 a.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on: ''A Review of the Global Tobacco Settlement.''

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, July 16, 1997, at 2:30 p.m. until business is completed to hold a business meeting to consider the investigation into the contested Louisiana Senate election.

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

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Business Rights, and Competition, of the Senate Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, July 16, 1997, at 2 p.m. to hold a hearing in room 226, Senate Dirksen Building, on: ''S. 539, The Television Improvement Act.''

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

ADDITIONAL STATEMENTS

TRIBUTE TO JUDGE DONALD H. PATTERSON

• Mr. SHELBY. Mr. President, I rise today in honor of Judge Donald H. Patterson who died at age 61 on May 28, 1997 after his courageous 7-month battle with lung disease. Donald Patterson was a friend, dedicated father and community leader who was respected by all who knew him. Judge Patterson honorably served the people of Lauderdale County, AL, as an elected judge in the 11th Judicial District of Alabama.

Don grew up in Florence, AL and then received both his bachelor's and law degrees from the University of Alabama. Always a leader, Don was president of the student government association while at the university. Following his graduation from law school, Don served active duty in the U.S. Army, and later, 6 years in the U.S. Army Reserve.

In 1959, Don began his law practice with Bert Haltrom. The two continued to practice until Bert Haltrom was appointed U.S. district court judge. Until Don's election to the circuit court in 1989, he practiced law with Florence attorney Gary Jester.

Judge Patterson was a true gentleman and leader. His Christian values

are reflected not only in the way he lived his life, but in the many organizations he led, belonged to and served. Until his passing, Judge Patterson was a member of the Alabama Judicial Study Commission and a director of the Alabama Circuit Court Judges Association.

Additionally, Judge Patterson served as chairman of the Florence-Lauderdale Industrial Expansion Committee; director of the chamber of commerce; past president of the Florence Rotary Club, and a recipient of the Paul Harris Fellow of Rotary International Award. Furthermore, he served numerous other legal, civic, and Christian groups.

Judge Patterson was a first-rate judge and lawyer—always very professional and knowledgeable. As a Sunday school teacher and past chairman of the board of the First Methodist Church of Florence, he was an exemplary citizen, leader, and role model. And as a husband, father, grandfather, and friend, Don was a compassionate and wonderful human being.

My prayers go out to Don's family and friends. Don Patterson's lifelong dedication to community and country made our world a better place—he will be sorely missed.●

RESPONSE TO THE AMERICAN LEGION

● Mr. KERREY. Mr. President, recently I received a letter from the national vice commander of the American Legion expressing his displeasure with my concerns with the process surrounding the selection of a site and design for the World War II Memorial.

As a matter of public record, I would like to submit my response and an article from the May 23, 1997, issue of the Washington Post. The Washington Post article discusses the recent problems with the Korean War Memorial, including flooding and damage to shade trees in the surrounding areas. I thought this article might be of interest to the American Legion and my colleagues.

The material follows:

U.S. SENATE,
Washington, DC, July 15, 1997.

ROBERT L. BOWEN,
National Vice Commander, The American Legion, Woodbridge, VA.

DEAR MR. BOWEN: Although I am opposed to the selection of the Rainbow Pool Site, I fully support the construction of a memorial to the veterans of World War II and have even called for the construction of a museum. The struggle and sacrifices made by my parents' generation during the most pivotal event of the 20th Century is a story that must be thoroughly told to my children and grandchildren's generations.

There is a process for building a memorial—any memorial—on Federal property, which has many steps and procedures. Currently there is some confusion as to whether this process is being properly followed, because of an apparent rush for approval and completion. The result could cause the construction of a memorial not befitting to those it portends to honor, and puts at peril the sacred space that is our National Mall.

Certainly you are aware of the situation concerning the Korean War Memorial (please see the attached article from the Washington Post.). This memorial has been closed almost as much as it has been open to the public in its two years and is already suffering from disrepair and flooding problems because of its location on the Mall—which lies on a flood plain.

The current proposed site for the World War II memorial lies on this same flood plain and, besides its 50-foot-high berms and 7.4 acres of land space, calls for a significant amount of subterranean construction.

Because there have been no studies as to the effects of subterranean construction on this site and the Mall, nor any studies on the impact the size and scope of the proposed memorial will have on the Mall, I am concerned about its long term impact and the cost to taxpayers, the City and the Federal government. Because once the memorial is completed, it will be turned over to the National Park Service for overall maintenance and thus will be supported by taxpayer dollars.

I am absolutely concerned with how our veterans of World War II are honored. That is why I am particularly troubled that the National Park Service has ruled it will close any memorial built on the Rainbow Pool Site during July 4th weekend celebrations, because the Rainbow Pool Site is the launch location of the fireworks display. This seems to belabor the point that not enough scrutiny is being given to what is being built, where.

I appreciate and share your concern about the progress of the World War II memorial and will continue to work on behalf of the veterans and the American people to ensure that a proper and fitting monument is constructed and that the integrity of our National Mall is maintained.

Please feel free to contact me in the future if you have any further concerns and I hope you will join me in my efforts.

Sincerely,

BOB KERREY.

[From the Washington Post, May 23, 1997]

NEGLECTED BUT NOT FORGOTTEN, KOREAN WAR MEMORIAL GETS HELP

(By Linda Wheeler)

Officials of the troubled Korean War Veterans Memorial have promised the fountain will flow and the walkway will be open for the country's official observance of Memorial Day on Monday.

The two-year-old monument, near the Lincoln Memorial, was partially closed in September when the fountain broke, walkway paving stones buckled and 40 dead shade trees were removed. Since then, various federal agencies and private contractors involved with the memorial have argued over who will pay for the repairs.

Some of the work is being done under warranty, said American Battle Monuments Commission spokesman Joe Purka. The commission built the memorial and has agreed to fund $100,000 in repairs until liability is determined.

Purka said the commission, founded in 1923, has responsibility for maintaining 24 American military cemeteries in foreign lands and 27 memorials here and in other countries. He said the commission took the money for emergency repairs to the Korean War Veterans memorial from a general fund that is to be reimbursed.

The World War II Memorial, planned for the Rainbow Pool site on the Mall, is also a commission project.

Last week, Sen. John Glenn (D–Ohio), a Korean War hero and a sponsor of the memorial, sent a tersely worded letter to the commission, the Army Corps of Engineers as general contractor and the National park Service after news accounts of the memorial's condition. In the May 13 letters, he said he wanted the memorial fixed promptly.

''It is disrespectful to our Korean War veterans to see the national memorial to their service in such disrepair,'' he wrote. ''I would hesitate to take a visitor to this memorial, which I supported and worked for over several years.''

Purka said Glenn's letters ''may have added a little impetus'' in getting repairs underway.

Yesterday, water flowed through the fountain again, and two ducks paddled around the circular pool. Nearby a grader pushed fine, crushed gravel into the pool and the walkway were closed off with yellow tape and orange cones.

John LeGault, 65, a Korean War veteran visiting from Montrose, Colo., said Wednesday he wasn't surprised to see the memorial torn up. ''Who cares?'' he asked. ''That was the forgotten war and this is the forgotten memorial. Considering how long it took to build it, it will take another 2 to fix it.''

William Weber, also a Korean War veteran and chairman of the Gen. Richard G. Stilwell Korean War Veterans Memorial Fund Inc., said he understands LeGault's frustration. He and other board members struggled for nine years to raise the $18 million to build the memorial, only to see problems show up within six months of the July 27, 1995, dedication by President Clinton.

''The memorial seemed to deteriorate so quickly and then it took so long to take action to do the repairs,'' Weber said. ''Many of us were very frustrated.''

Weber said supporters of the memorial have recognized the need for a private fund to handle large repairs not covered by the Park Service but have only recently begun to raise money.

Care of the nation's memorials falls to the Park Service when they are built on federal parkland. However, over the years maintenance costs have risen with aging memorials and Congress has tightened the Park Service's budget.

Since 1986, builders of memorials have been required to set aside 10 percent of the construction costs for the Park Service's use. For the Korean War Veterans Memorial, about $1.2 million was turned over to the Park Service, Purka said. However, the Park Service said those funds are for routine care—not major repairs such as the fountain and the $30,000 tree replacement.

The Park Service has replaced dead shrubs around the 19 stainless steel soldier figures that are part of the memorial and has enhanced the lighting for nighttime visits.

Weber said there will be a small ceremony at the memorial on Monday to mark the holiday. About 70 Korean War veterans are expected to gather at 1 p.m. for the presentation of the colors and the laying of a wreath.

Park Service spokesman Earle Kittleman said the agency was pleased the work at the memorial finally was getting done. For months, he had to respond to phone calls and letters from concerned veterans.

''We want visitors to the parks to be able to walk into the memorial without running into obstacles and closed areas,'' he said. ''We are happy that all the parties have worked together and everything will be ready for Memorial Day.''●

EXPLANATION OF SELECTED VOTES TO THE TAXPAYER RELIEF ACT OF 1997

● Mr. ABRAHAM. Mr. President, now that the Taxpayer Relief Act of 1997

has passed the Senate, I wanted to take a few moments to discuss several of the more important votes that took place.

The first of these was the Daschle amendment. This amendment constituted a comprehensive substitute to the Finance Committee plan, but I believe it failed to live up to the spirit of the budget agreement between congressional leadership and the Clinton administration.

The Daschle substitute would have provided only $68.5 billion in net tax cuts to the American people—not the $85 billion called for in the budget agreement. An $85 billion tax cut represented less than 1 percent of the total tax burden over the next 5 years, yet the Daschle substitute would have reduced that relief by almost 20 percent. The Daschle amendment reduced the $500 per child tax credit to $350. It excluded millions of tax-paying families with teenage children from receiving any tax relief at all, including as many as 50,000 families in Michigan. And it drastically reduced the capital gains tax relief for seniors and small businessmen. For these reasons, I opposed it.

There were several amendments targeted at the Finance Committee's $500 per child tax credit. The Kerry amendment would have made the child tax credit refundable against FICA tax payments. To pay for refundability, the amendment would have reduced the income levels at which the credit is phased-out.

Mr. President, I support making the family tax cuts in this legislation broader to include lower-income families, but I oppose taking tax relief away from middle-class families to do so. The Kerry amendment would have eliminated the $500 credit for millions of middle-class families who pay almost 40 percent of their income in taxes while redirecting that relief towards families with no income tax burden and actually receive money from the Federal Government.

A similar amendment, offered by Senator LANDRIEU, would have permitted families receiving payments under the earned income credit to also receive full $500 per child tax credits. Senator LANDRIEU would have offset these new payments by reducing the allowable family income from $110,000 to $75,000. Once again, this amendment would have taken relief away from taxpaying families. While I support giving tax relief to families of all incomes, it is not right to take tax relief away from families earning as little as $75,000 to make it possible.

An amendment which I supported was offered by Senator GRAMM to provide the full $500 per child tax credit to parents of children ages 13 to 17. Under the Finance bill, the full child credit would only go to those parents who deposit it into a qualified tuition savings plan for their children. For those parents who are unable to afford such a plan, or whose children do not go to college, they would only qualify for a reduced tax credit. I disagree with this approach, and supported the Gramm amendment. The whole purpose of the $500 per child credit is to let families keep more of what they earn so they can spend that money on their priorities, not the Federal Governments. In Michigan, thousands of families have children who choose not to go to college. I do not believe they should be penalized for making that choice.

Senator JEFFORDS offered an amendment to make the existing dependent care tax deduction refundable. I support making childcare available to more parents, but I am concerned that the Jeffords amendment would create a bias against small, neighborhood child care givers and towards large, accredited facilities. Specifically, the Jeffords amendment would give families a larger tax credit for sending their children to an accredited facility than if they chose a smaller, unaccredited caregiver. I believe this is a poorly thought out provision which create an unjustified intrusion by the Federal Government into the child care decisions of parents. Rather than allow parents to make their own child care decisions free from a biased tax code, this amendment would have placed parents in a position of losing part of their tax credit just because they chose the neighbor they know and trust, rather than the stranger working at the large, accredited child care center. For that reason, I opposed the amendment.

Another amendment I opposed was the Kennedy amendment to raise the cigarette excise tax by an additional 23 cents. Senator KENNEDY's intention was to use the $12 billion raised by this tax to provide additional funding for children's health insurance.

Mr. President, I support the underlying bill's provision to ensure that deserving children get adequate funding to meet the health insurance challenge. The Finance Committee bill, as amended by the Senate, would spend $24 billion over the next 5 years, or about $1,600 per child to address this issue. Senator KENNEDY's amendment would provide an additional $12 billion over 5 years for health insurance coverage. Mr. President, I believe it is incumbent upon Senator KENNEDY and other supporters of this higher level of funding to demonstrate how these sums could be effectively spent to combat a problem that the Clinton administration has agreed could be solved with a lower funding level. In my opinion, Senator KENNEDY failed to make that case, and for that reason I opposed the Kennedy amendment.

One amendment which I supported was offered by Senator DURBIN to provide the self-employed with the ability to deduct 100 percent of their health insurance costs. I believe the current policy toward self-employed Americans is unfair and discriminatory and I supported the Durbin amendment in an effort to ensure that this issue was addressed by the conference committee. While the Durbin amendment failed on a point of order, a subsequent Nickles amendment to provide 100 percent deductibility by the year 2007 was adopted and will likely be made part of the bill sent to the President. I supported that amendment as well, and look forward to seeing this provision made law.

A final effort which I supported was the McCain point of order against the creation of an intercity passenger rail fund. My vote in support of Senator MCCAIN should not be interpreted as a vote against Amtrak. Instead, I opposed this fund because it is designed to skirt the existing budget process and create a bias for Amtrak funding and against other Federal programs, such as veterans' programs, community health centers, and other essential services. In my opinion, the proponents of the Amtrak fund have failed to demonstrate why Amtrak funding should be given a special place of prominence among all other federal programs. Next year, the Federal Government will take in $1.7 trillion in tax revenues. If Amtrak funding is a priority, I am confident that sufficient money can be found in the budget without resorting to tax increases.●

SENATOR TORRICELLI HONORS DEPARTING SWEDISH AMBASSADOR

● Mr. TORRICELLI. Mr. President, I rise today to acknowledge the monumental service and dedication of one of Sweden's finest Ambassadors ever to have served in the United States, Mr. Henrik Liljegren. After 4½ years in Washington, Ambassador Liljegren is being reassigned to Istanbul, Turkey, and I want to take this opportunity to express my admiration for, and gratitude to, this skilled diplomat.

Ambassador Liljegren has spent his time in Washington carefully fostering a new level of understanding between our two countries. The end of the cold war has created new perspectives for Sweden's foreign policy, and new opportunities for Sweden and the United States to further their relationship. Ambassador Liljegren is well respected for his willingness to promote closer ties between the people of our two great nations.

His strategy for strengthening United States-Swedish ties has been multifaceted and creative. For example, he recently testified before the Senate Banking, Housing, and Urban Affairs Committee to help determine whether or not neutral countries had profited from their policies during the Second World War. Ambassador Liljegren was aware of the State Department's Eizenstat Report, which was stern in its condemnation of neutral states during this period, and was forthcoming in explaining his country's policies vis-a-vis the Third Reich. His testimony was influential in drawing attention to the systematic effort on the part of the Swedish Foreign Ministry to assist the Jews during World War II.

On behalf of my colleagues in the Senate and the entire Nation, I want to

again express our gratitude for Ambassador Liljegren's service, and wish him the best of luck as he continues his career in Turkey.●

TRIBUTE TO STEPHANIE A. FRANK AND ERICK N. VIORRITTO, RECIPIENTS OF THE 1997 WHITE HOUSE PRESIDENTIAL SCHOLARS PROGRAM

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Stephanie A. Frank of Dover, NH, and Erick N. Viorritto of Manchester, NH, on being selected as the Granite State winners of the 1997 White House Presidential Scholars Program sponsored by General Motors and Saturn. Stephanie and Erick were chosen on the basis of academic and artistic success, leadership, and involvement in their school and community. Each student also selected the teacher who has had the most impact on his or her accomplishments.

Stephanie and Erick, along with their parents and honored teachers, spent a week in Washington, and attended the Presidential Scholar Medallion ceremony hosted by President Clinton. Stephanie, a graduate of Dover High School in Dover, NH, brought her teacher Mr. Christopher Lawrence to accompany her on the trip, while Erick, a graduate of Manchester's West High School in Manchester, NH, brought his teacher Mr. Gaston P. Normand, Jr., for the festivities.

Founded in 1964 by President Lyndon B. Johnson, the White House Presidential Scholars Program honors the Nation's most accomplished students. This year, 141 high school seniors were chosen from among 2,600 eligible candidates on the basis of academic and artistic success, leadership, and involvement in their school and community.

As a former high school teacher myself, I commend Stephanie and Erick for their hard work and outstanding achievements. Congratulations to Stephanie and Erick on this distinguished honor. It is an honor to represent these outstanding students in the U.S. Senate.●

IMPRESSIVE LEADERSHIP BY THE WORLD COMMITTEE ON DISABILITY

● Mr. KENNEDY. Mr. President, half a billion people throughout the world have disabilities, and 85 percent of them live in poverty. In many countries, disability can be a barrier to the many aspects of life that those of us without disabilities often take for granted. It has been 15 years since the United Nations World Programme of Action Concerning Disabled Persons was adopted to improve the lives of citizens with disabilities in their nations. As a result, many countries are responding to the United Nations challenge and doing more to help citizens with disabilities live fuller and more productive lives.

In 1996, the World Committee on Disability, an organization dedicated to supporting the U.N. Programme, initiated an annual award named for President Franklin Delano Roosevelt to honor nations that make significant progress toward meeting the United Nations goals. On September 15, 1996, the first FDR International Disability Award went to President Kim Young Sam of South Korea. The award is a bust of FDR and a $50,000 donation to a Korean non-governmental disability organization, and it recognizes South Korea's impressive strides in improving the lives of its citizens with disabilities. South Korea has taken steps to legislate needed protections and to provide physical and employment rehabilitation services. Buildings, education, and employment are being made accessible to those with disabilities. President Kim is also waging a public awareness campaign to involve more nondisabled South Koreans in the lives of those with disabilities.

I commend South Korea for the progress it is making. The 1996 award is a great honor for that country, and an example for other nations. Already, President Kim has created a fellowship fund to provide assistance to 10 outstanding Koreans with disabilities each year, and other nations are following South Korea's leadership.

This international award is also a reminder that there is still much more to do to ensure that persons with disabilities have the opportunity to become independent and productive citizens and lead fulfilling lives. I commend the World Committee on Disability for its leadership. I look forward to this year's award and to continuing to make worldwide progress on this extremely important issue.●

HOLLY A. CORNELL

● Mr. SMITH of Oregon. Mr. President, I am saddened to note the passing of Holly A. Cornell of Charbonneau, one of Oregon's leading citizens, who died at his home on July 1 after a long illness at the age of 83. A July 7 memorial service for Mr. Cornell was held at the LaSells Stewart Alumni Center on the Oregon State University Campus in Corvallis.

Mr. Cornell, a founding partner and the ''C'' in what became Oregon's own CH2M HILL, was the international engineering and environmental consulting firm's first employee. He returned to Corvallis after World War II to cofound the firm that was to become Cornell, Howland Hayes & Merryfield [CH2M]. He managed numerous water, wastewater and industrial projects for CH2M, and opened the firm's Seattle office. He also served as director of technology, president and chief executive officer and chairman of the board.

Among his many accomplishments were ushering CH2M HILL into the computer age, and managing complex projects such as the Milwaukee Metropolitan Sewerage District's pollution abatement project. At the time of Mr. Cornell's 1980 retirement, CH2M HILL had grown from a four-partner office in a second-floor Corvallis office to an international consulting firm employing 1,900 professionals in 20 U.S. offices and two overseas locations.

His legacy, which is one of the Nation's largest employee owned companies, has become a $1 billion a year business which employs more than 7,000 employees in 120 worldwide locations.

Mr. Cornell is the second CH2M HILL founder to pass away. Fred Merryfield, the Oregon State engineering professor who conceived the idea for the firm, died in 1977. The other founders are retired, but remain active in CH2M HILL affairs, in their communities and in their personal lives.

Ralph R. Peterson, CH2M HILL's president and CEO, said,

> It was my personal pleasure to work with Holly from the time I joined the firm in 1965 until Holly's retirement in 1980. Of course, he excelled at whatever job he undertook, but what I remember most of Holly during those times are the lasting relationships he forged with clients, on projects: clients and projects like to Boeing 747 Assembly Plant in Everett, Washington; and the Denver Water Board's Foothills Water Treatment plant in Denver. These became landmark projects, but what is truly impressive is that those clients are still valued CH2M HILL clients today.

Mr. Cornell was born in Boise, ID in 1914 and earned a bachelor's degree in civil engineering from Oregon State College in 1939. He earned a master's degree from Yale and worked for the Standard Oil Co. in California before being called to active Army duty in 1941. Mr. Cornell served with distinction in the Army Corps of Engineers in Europe during World War II and received the Bronze Star medal. He was executive officer of an engineer group under Gen. George Patton that repaired Germany's famed Remagen Bridge, enabling Allied forces to cross the Rhine.

Mr. Cornell was active in numerous professional societies including the American Consulting Engineers Council, the American Society of Civil Engineers, the American Water Works Association, and the Professional Engineers of Oregon. The latter society recently named him Oregon Engineer of the Year. He also was active in a university fraternal organization, Phi Delta Theta, and several honorary societies including Phi Kappa Phi and Tau Beta Pi.

Mr. Cornell enjoyed golf and travel. His wife, Cleo, preceded him in death. He is survived by a son, Stephen Cornell, Seattle; a daughter, Cynthia Wildfong, Castle Rock, CO; and three grandchildren.●

CONGRATULATING THE SIOUX FALLS VA MEDICAL AND REGIONAL OFFICE CENTER

● Mr. JOHNSON. Mr. President, I rise today to offer my congratulations to Director R. Vincent Crawford and his staff at the VA Medical and Regional

Office Center [VAMROC] in Sioux Falls on receiving the Disabled American Veterans' 1997 Large Employer of the Year Award. This award is a testament to VAMROC's continuing efforts to hire disabled veterans, and I am honored that VAMROC's work was recognized by DAV.

This national award is presented annually by the DAV to a business with more than 200 employees who assertively hire disabled veterans. The center's Vocational Rehabilitation and Counseling Division provides veterans with valuable work experience and training positions, which opens up new employment opportunities within South Dakota's VA medical centers, and with the private sector. The per capita rate of veterans placed in employment by the VAMROC's Vocational Rehabilitation and Counseling Division leads the Veterans Benefits Administration Regional Offices in this category.

The VAMROC works in conjunction with the local union representing its employees to ensure that disabled veterans will receive consideration for job openings at VAMROC. Recent veterans employment statistics show that of VAMROC's 704 employees, 219 were veterans for a 31-percent employment rate. Of these 219 veterans, 60 were disabled veterans and 163 were Vietnam era veterans.

Mr. President, I always have felt that veterans in South Dakota are extremely fortunate to have such high quality facilities, doctors, staff, and administrators at our VA hospitals that provide care second to none. VAMROC certainly exemplifies this commitment to our veterans. Our veterans made a commitment to their Nation, trusting that when they needed help, the Nation would honor that commitment. VAMROC's leadership and dedication is an example of how our Nation can best serve the needs of our veterans. Again, I congratulate Director Crawford and his staff at VAMROC on receiving this award of accomplishment, and I thank them for their continued service to South Dakota's veterans.●

RECOGNITION OF CHARLES ROBERT ''BOB'' LOCK

● Mr. BOND. Mr. President, today I stand before you to recognize a truly unique individual and personal friend on his 70th birthday. Robert ''Bob'' Lock, born on July 22, 1927, in Marshall, MO, has lived most of his life in Carrollton, MO. Bob has shown the kind of lifelong devotion to his State and country that make it an honor to commend him for his many years of civic contributions.

After joining the Navy and serving his country in World War II, Bob founded Lock Steel Building Co. in 1947, and is still active in the industry today. He has been an active board member of several businesses and philanthropies throughout the years and takes pride in his lifelong work to help those less fortunate than himself.

Always young in spirit and energy, I commend Bob for his generosity and service with a special birthday wish that my friend continues to enrich his community for years to come.●

ENLARGEMENT OF THE EUROPEAN UNION

● Mr. BIDEN. Mr. President, I wish to congratulate the European Union for its decision yesterday to begin membership talks with six countries, five of them in Central and Eastern Europe.

Mr. President, as anyone who has followed my numerous statements on NATO enlargement knows, I have frequently criticized the European Union for not moving speedily enough toward its own stated goal of enlargement. The EU's announcement that it will begin talks early next year with Cyprus, the Czech Republic, Estonia, Hungary, Poland, and Slovenia is welcome for several reasons.

First of all, it recognizes that these are the countries that have already made the most progress in meeting the EU's demanding economic and political qualifications. Five other prospective candidates—Bulgaria, Latvia, Lithuania, Romania, and Slovakia—now realize that they have more work to do.

Second, the naming of five Central and East European countries for the next round of EU enlargement in itself will add to the emerging European security architecture, along with the other web of ties connected with EU membership.

Third, the naming of Cyprus to the list of prime candidates for EU membership should help to move the parties on that island to a final, equitable solution that eliminates the division of the country, which has persisted for twenty-three years.

I do not underestimate the complexity of accession negotiations as the European Union concurrently moves toward ''an ever closer union.'' Nonetheless, I hope that the talks with the six prime candidates will move speedily so that they can join the European Union before the end of this century.

Again, I congratulate the European Union on the step it has taken.●

SITUATION IN BOSNIA

● Mr. KERREY. Mr. President, I rise to comment on the present situation in Bosnia, the small Balkan country which is the scene of a military commitment involving thousands of American military personnel, a significant slice of our military forces, and the logistics and intelligence which support them.

Our military led the way into Bosnia as the NATO alliance took on the role of overseeing the security aspects of the Dayton accords. Our soldiers and other NATO forces have prevented a recurrence of war and they have provided a security umbrella beneath which Bosnian refugees could have returned to their homes and Bosnia could have resumed normal life—if the leaders of the Bosnian factions had permitted it. Unfortunately, these leaders retain office and retain their access to public money through policies of ethnic division and hostility, not policies of reconciliation. Consequently there has been little progress in achieving the political goals of the Dayton accords.

The restoration of Bosnia's economic infrastructure is similarly hobbled, partly because some of the factional leaders prefer the graft inherent in government monopolies to the prosperity that comes from open competition. Another reason is the weakness of the civil component of the international effort to implement Dayton. The diplomats from European Union and NATO countries who are charged with civil implementation have been doing their best, but they lack the authority, the resources, and the planning ability which characterize their NATO military counterparts. The international response to Bosnia is somewhat like a human body which is strong and vibrant on one side, the military side, and weak and withered on the other, civilian, side. This imbalance threatens the success of our military deployment because the civil tasks are the tasks which will bring lasting peace to Bosnia. The economic infrastructure must be restored. Local sectarian barriers must fall and people and trade must move freely throughout the country and across its borders. The rule of law must replace the rule of local bosses and the police must become impartial instruments of the law. Foreign investment, integration with Europe, and the eventual prosperity which is needed to undergird peace will not occur unless these civil tasks are accomplished. Because these tasks are so essential to a successful outcome in Bosnia, our soldiers there will some day be measuring the value of their Bosnia service medals based on how well the civilian component of the effort did its job.

A precondition for democracy in any country is justice: the ability for any citizen to get justice from his or her institutions, and the ability of those institutions to provide justice when crimes are committed. This precondition is lacking in Bosnia. Furthermore, the very concept of justice is daily mocked by the presence in Bosnia of individuals who have been indicted for war crimes by the Hague Tribunal. Until these individuals are tried by the Tribunal, until the people of Bosnia see that the world takes seriously what happened to them and is committed to doing justice, the Bosnians of all ethnic groups have no reason to hope for a better future. If the crimes that occurred during the Bosnian civil war are not publicly brought to closure, if the criminals can just wait out the world's outrage, then there is no reason for the average Bosnian to have any hope in a democratic future.

Mr. President, it is because justice for war crimes is so important that I am particularly pleased at recent news reports that NATO is now acting to capture persons in Bosnia who have been indicted for war crimes. The recent raid conducted by British troops to capture a suspected war criminal who was subsequently transported to the Hague should give hope to ordinary Bosnians that justice will be done and armed thugs will not continue to dominate their local affairs. I applaud the bravery of the British troops in this raid and I urge additional raids by the NATO forces in Bosnia to accomplish this essential and unfinished part of our collective duty.●

RELIGIOUS LIBERTY IN RUSSIA

Mr. BENNETT. Mr. President, I would like to make a very brief statement about an action taken earlier this day when I was unable to comment—the adoption of the Smith amendment as it had to do with religious liberty in Russia.

I know everyone talked about the importance of religious freedom and independent religious liberty, and how important it is for that value to be established in Russia. And I do not want to repeat those arguments. There is just one point I think that needs to be made here.

The psychologists have a term ''xenophobia'' which they use to describe those who have a fear of strangers, or a fear of anything foreign. As we look at the long and troubled history of Russia, and then the Soviet Union, we see that one of the driving forces in that culture has been xenophobia—terrible fear under the czars of any kind of Western influence somehow creeping into Russia; terrible fear under the commissars, or Communist dictators from Lenin and Stalin all the way down through Khrushchev and Brezhnev of anything that they considered to be foreign. It was one of the major problems of the Soviet Union and one of the major difficulties that they had in becoming an accepted part of the world family of nations.

We all rejoiced when the Berlin wall came down, when in the spirit of glasnost—or openness—Mr. Gorbachev led the Soviet Union into an atmosphere of much less xenophobia.

The thing that distresses me the most is the piece of legislation that passed the Russian Parliament, and that is now sitting on President Yeltsin's desk, is that it is a clear return to the days of xenophobia—fear of anything from outside.

Yes. Religious liberty is important. Yes. I voted for the Smith amendment to establish the importance of religious liberty. But I voted for the Smith amendment even more firmly because I believe the Russian people must be told in as firm a fashion as possible that if they returned to the days of the darkest period of the czars, if they returned to the days of the darkest period of the Soviet Union with an unfounded and irresponsible fear of anything that comes from beyond their borders, they will be taking a most serious downward turn in the culture and future of their Republic.

So in that, Mr. President, I cast my vote in favor of the Smith amendment hoping to send that message to the people of Russia.

I yield the floor.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

MFN STATUS WITH CHINA

Mr. DEWINE. Mr. President, tomorrow we will be voting on Senator HUTCHINSON's amendment with regard to most-favored-nation status with China.

I intend tomorrow to vote for the amendment offered by my friend from Arkansas, Senator HUTCHINSON. I would like to emphasize, however, first and foremost, that this is a sense-of-the-Senate resolution. It is not binding. It does not in any way alter or reverse the President's decision to extend most-favored-nation trading status with China. As we all know, the House of Representatives already has voted against a resolution revoking China's MFN status.

So, Mr. President, this amendment is more a chance to make a statement—frankly, for me, a chance to express my frustration with certain activities taken by the Chinese Government.

Let there be no misunderstanding. I believe that China needs to reassess its actions in a number of areas because I believe Congress—certainly this Senator—is losing patience.

Let me be a bit more specific. I am very concerned first about China's weapons proliferation activities particularly in the Middle East. In the past 2 years, it has been reported in the media that China has supplied Pakistan with key components to develop its own nuclear weapons program as well as ballistic missiles to deliver such weapons. China also has been the source for Iran's growing cruise missile capability, which poses a clear threat to our military personnel and commercial shippers in the Persian Gulf.

Further, I am concerned about Chinese state-owned companies knowingly supplying assault weapons to criminal gangs in California. Representatives of these companies were arrested in a sting operation just last year and are now awaiting trial in California. I am very concerned about repeated human rights violations throughout China as well as religious persecution and religious repression.

I am very concerned about the hideous practices of forced abortions and sterilization in China. I am concerned about the possible reversal of various political liberties such as free speech and assembly in Hong Kong.

These are all very serious issues, and I believe that we need to take action to try to address each one. My vote tomorrow in favor of this sense-of-the-Senate resolution will be an expression of these concerns. However, I believe there are far more effective ways to demonstrate our commitment to these issues than just the sense of the Senate before us. I suggest if we truly want to address all these issues constructively, we should bring before the Senate legislation that is targeted for its clear solutions.

For example, the Senate recently passed legislation offered by my colleague who just spoke a moment ago, the distinguished Senator from Utah, Mr. BENNETT, which calls on our President to enforce our Nation's nonproliferation laws against China for its efforts to supply Iran with cruise missiles. I was a cosponsor of this legislation, which, by the way, passed the Senate unanimously.

We can do more. We could and we should bring before the Senate the legislation that was introduced by my colleague from Pennsylvania, Senator SPECTER, legislation which would impose penalties on countries guilty of supporting or tolerating religious persecution, and I am a proud cosponsor of this bill.

We should bring before the Senate the legislation introduced by the Senator from Michigan, Mr. ABRAHAM, which would impose targeted sanctions against China in cases of religious persecution and against Chinese companies for illegal weapons transfers into the United States.

This bill would also increase United States support for human rights and democracy-building initiatives in China, including Radio Free Asia and the National Endowment for Democracy. I am proud to be an original cosponsor of this legislation as well.

If we truly want to take strong, constructive action in regard to China, the options are clearly before us. The sense-of-the-Senate resolution before us is not the best way to address all of the issues of concern we have with China, but it is, I believe, helpful to send a signal to the Government of China that the people of the United States are genuinely concerned about the direction China has taken in a number of areas. Again, it is just a signal. But we should use the opportunity to make this signal strong and very clear.

I believe, as I have stated, that we can do much more, more that is constructive and more that I believe can make a real and positive difference for the people of China. I hope in the weeks and months ahead we will take these actions.

ORDERS FOR THURSDAY, JULY 17, 1997

Mr. DEWINE. Mr. President, now on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of

9:30 a.m. on Thursday, July 17. I further ask that on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then immediately resume consideration of S. 955, the foreign operations appropriations bill.

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

PROGRAM

Mr. DEWINE. Mr. President, also on behalf of the majority leader, I would like to make the following announcement for Members of the Senate. Tomorrow the Senate will resume consideration of S. 955, the foreign operations appropriations bill. Under the order, following the debate time on the remaining two amendments to S. 955, the Senate will begin voting on those amendments as well as final passage. Therefore, Senators can expect three consecutive rollcall votes beginning at approximately 10 a.m. tomorrow morning. It is the intention of the majority leader that the Senate begin consideration of the treasury, postal appropriations bill following the disposition of the foreign operations appropriations bill.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:21 p.m., adjourned until Thursday, July 17, 1997, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 16,1997:

THE JUDICIARY

RICHARD CONWAY CASEY, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK VICE CHARLES S. HAIGHT, JR., RETIRED.

RONALD LEE GILMAN, OF TENNESSEE, TO BE U.S. CIRCUIT JUDGE FOR THE SIXTH CIRCUIT, VICE H. TED MILBURN, RETIRED.

EXTENSIONS OF REMARKS

DEMOCRATIC REFORM DEALT BLOW IN SLOVAKIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. HOYER. Mr. Speaker, I recently had the opportunity to meet with the Speaker of the Slovak National Council, Ivan Gasparovic, during his visit to Washington in early June. In fact, this was my second meeting with the chairman of Slovakia's legislature, whom I had also met in late 1994. I welcomed this opportunity to renew my contact with this important leader and am grateful to Mr. HYDE, who organized this meeting.

Unfortunately, since my meeting with Speaker Gasparovic in 1994, some of the most significant accomplishments of the post-Communist and independent Slovak state have come under threat, as sadly illustrated by two recent events.

Last November, when Slovak legislator Frantisek Gaulieder renounced his membership in the Prime Minister's party, he was also stripped of his deputy's mandate on the basis of a letter of parliamentary resignation which he says he never penned. Not to put too fine a point on the message he was being sent, a bomb went off on Mr. Gaulieder's porch a few days later. Unfortunately, Mr. Gasparovic had no real response to the concerns I expressed regarding this matter except to say that Mr. Gaulieder's case is still pending before the Slovak Constitutional Court.

Although the Slovak Constitution Court has earned international respect as one of the leading post-Communist courts in Central Europe, it, too, is sadly under siege. On May 23, the Slovak Ministry of Interior flagrantly violated orders of the court by willfully manipulating the administration of a referendum on NATO and the direct election of the president. In particular, the Ministry of Interior blocked one of four referendum questions scheduled for presentation to the Slovak voters and, in so doing, provoked a boycott of the entire referendum.

The disrespect shown by the Ministry of Interior for the constitutional court is nothing less than shocking. More to the point, the government's disregard for the rule of law—coming on the heels of the extraordinary means by which Frantisek Gaulieder was stripped of his parliamentary mandate last November—suggests an escalation in the tactics of the ruling coalition. It was not surprising that Slovakia's own Foreign Minister resigned after this fiasco, stating that he was unable to perform his job under such circumstances. Certainly, Mr. Gasparovic's reassurance that the Gaulieder case is pending before the constitutional court—the very court his Ministry of Interior had just defied—does little to reassure me that democracy is being effectively safeguarded in Slovakia.

In light of my concerns, I welcomed the opportunity to discuss these matters with four other Slovak parliamentarians at the OSCE Parliamentary Assembly in Warsaw last week: Jan Cuper, Dusan Slobodnik, Jan Carnogursky, and Peter Magvasi. I was joined in that meeting by Representatives /SLAUGHTER, DANNER, and KING.

In that meeting, I reiterated my concern regarding the Gaulieder case and the Interior Ministry's disrespect for constitutional order. In addition, I flagged concern regarding the continued exclusion of opposition members from key oversight operations, such as the State board for radio and television, the parliamentary committee which deals with security, and the National Property Fund which oversees privatization. Finally, I expressed my concern that the Ministry of Education had issued a patently anti-Semitic textbook in April. While Prime Minister Meciar has just announced that the book would be withdrawn from school use, the Ministry of Education continues to defend this text, revealing a serious streak of anti-Semitism in the current ruling coalition.

Throughout all this, the Slovak Government has continued to assert that Slovakia is interested in joining NATO. But the Slovak Government has simply failed to implement the kind of human rights and democratization reforms that would make consideration of Slovakia for NATO accession realistic at this point. And as Slovakia's human rights record diminishes, so does its prospects for integration into trans-Atlantic institutions.

Mr. Slobodnik did his best to convince me that Slovakia's record is really no worse—and, indeed, he asserted, probably much better—than the records of many other post-Communist countries in Central Europe. But the facts speak more clearly than Mr. Slobodnik's words. In short, the process of democratic reform in Slovakia has simply failed to keep pace with the reform process in other post-Communist countries in the region. The Baltic States, which were brutally occupied by the Soviets for 50 years, have made peace with the Soviet-era immigrants to their countries and have shown their strong commitment to their international human rights obligations; Romania, which had one of the most repressive regimes of the Communist era, has elected a pro-reform government that emphasizes tolerance and reconciliation in its political platform; Bulgarian voters, too, recently signaled that their future lies in the west, and not in the east.

During my meeting in Warsaw, I suggested to my Slovak colleagues that our discussion should be viewed not as a confrontation among enemies—the way such discussions might have rightly been viewed during the cold war—but as a conversation among potential partners. I believe that bringing Slovakia into the NATO family will contribute not only to Slovakia's security, but to the security of the entire NATO community. Each time I hear that Slovakia remains interested in joining NATO, I am heartened. Ultimately, I believe that if the people of Slovakia want that goal, they will be able to implement the changes necessary to make it happen.

TRIBUTE TO AMANDA ELIZABETH GREEN

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. THOMPSON. Mr. Speaker, I rise today to recognize Ms. Amanda Elizabeth Green. Ms. Green is the recently elected Miss Tougaloo College for the 1997–98 school year. She is a junior with double majors in English and history with an emphasis in pre-law from Kokomo, MS.

Amanda is the daughter of Mr. Arthur Lee Green and Mrs. Debora P. Green. She is the youngest of two children. Her brother, Arthur Bernard Green, has had a tremendous impact on her life. She quotes the best advice given to her by him, ''If you believe it, conceive it, then you will achieve it.'' While attending Tougaloo College, Amanda has participated in many student activities which include serving as president of the Tougaloo Modeling Squad, Miss Reuben V. Anderson Pre-Law Society, the NAACP, the National Political Congress of Black Women, the committee to re-elect Supreme Court Justice Fred Banks, and has served as an intern for the Mississippi State Supreme Court.

Amanda is currently the president of the Reuben V. Anderson Pre-Law Society, vice-president of the junior class, a member of the Student Activities Council, Tougaloo Ambassadors of Merit Scholars, a member of Alpha Kappa Alpha Sorority, Inc., and a resident assistant. Amanda is a strong believer that the children are our future. Following that belief, she serves as a tutor for an after-school program at Rowan Middle School in Jackson, MS and a mentor at the Kokomo Head Start Center in Kokomo, MS. Although she is involved in several extracurricular activities, Amanda still has time to excel as a Dean List scholar at Tougaloo. She is also a member of the New Damascus M.B. Church in Kokomo and plays an active role in the community. She believes that all of her strength comes from God and acknowledges that all the glory belongs to him.

After obtaining her two bachelor of arts degrees from Tougaloo, Amanda plans to further her education at a prestigious law school where she will receive both her masters of arts and doctoral degrees. Amanda plans to one day establish a college fund in her parents name for needy students diligently seeking an education, holding true to the African adage ''It takes an entire village to raise a child.''

Mr. Speaker, I ask you to join me in honoring Ms. Amanda Elizabeth Green, Miss Tougaloo College 1997–98 school year.

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

RECOGNIZING MURRYSVILLE CHRIST'S LUTHERAN CHURCH

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. KLINK. Mr. Speaker, I rise today to recognize the efforts of 12 members of the Murrysville Christ's Lutheran Church. This week, a group of 10 youths and 2 adults will embark on a work trip from my place of residence, Murrysville, PA to Washington, DC. They will spend an entire week volunteering at homeless shelters, food kitchens, and assisting Habitat for Humanity with home construction in the Anacostia section of this city.

In his address to the attendees of this past spring's Presidential Summit for America's Future, President Clinton issued a call to action to all Americans ''to serve our children, and to help teach them to serve—not as a substitute for government, but to meet our major challenges as one community, working together.'' The members of the Murrysville Christ's Lutheran Church have issued and answered that call.

While most young people their age are spending their summer at pools or camps, these young people have chosen to donate their time for the benefit of others. It is most admirable that Lauren Caywood, Mandi Falvo, Allison Long, Brandon Rioja, Michael Ross, Rachel Gray, Ken Nemit, Matt Barnwall, Kym Brown, Molly Endres, Mrs. Gretchen Endres, and Rev. Roger Steiner would take time to give back to those who are not as fortunate.

Once again, I urge my colleagues to rise and recognize the efforts of the Murrysville Christ's Lutheran Church. They are fine representatives of their church, their community, and the entire Fourth Congressional District.

THE DOUGLAS APPLEGATE U.S. POST OFFICE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. TRAFICANT. Mr. Speaker, last week I introduced legislation, H.R. 2129, to designate the U.S. Post Office in Steubenville, OH, as the ''Douglas Applegate U.S. Post Office.'' I respectfully urge my colleagues to cosponsor this bill, which will pay a much-deserved tribute to a strong leader, a loyal friend, and a great man.

Doug Applegate was not only a colleague, but a great friend as well. He worked hard to make new Members feel comfortable and to help them acclimate themselves to the Capitol Hill environment. When I first came to Congress in 1985, Doug was always willing to give me advice and guidance. Over the years I had many opportunities to work with this fine man, and was always impressed by his integrity and his dedication to the causes in which he believed. He was a true leader in every sense of the word. He chose his battles and fought them to the end. While he could work to build a consensus, he was not afraid to stand alone. A moderate Democrat, he would support his party, but if his conscience pulled him in another direction he would not fail to follow it. Doug was an inspiration and an example to us all.

As many of you may remember, Doug was not one to grandstand or bring attention to himself. While many of his Democratic colleagues in the class of 1976 went on to become the big players in the congressional arena, Doug chose to work quietly, from the sidelines, for his constituents and for the issues that he felt were deserving of his attention. Without bringing large amounts of attention to himself, he affected important change. Instead, his quiet, but devoted adherence to key areas of interest won him the respect of his colleagues and the loyalty of Ohio's 18th Congressional District, who consistently voted him into office with well over 50 percent of the vote.

At the top of Doug's list of legislative priorities was protecting the benefits that go to our country's veterans. He believed that the great sacrifices of these brave men and women are worth compensation, and as chairman of the Veterans' Affairs Subcommittee on Compensation, Pensions, and Insurance, he worked to increase, substantially, the benefits to the survivors of those that did not make it home. While he realized that no amount of money would ever make up for such a terrible loss, he also realized that such compensation can help to ease the suffering by making life a little less complicated for those who were left behind.

Witnessing firsthand devastating economic hardship in his district, Doug was also a great defender of American jobs. His House stationery was emblazoned with the slogan, ''Buy American! Save American Jobs!,'' Doug fought tenaciously to protect our workers and our industry from unscrupulous corporate practices. He worked to expose a scheme concocted by American companies that cut labor costs by having United States flags made by a Taiwanese company and then labeling them ''Made in America.'' In doing so, he demonstrated his own resolve and the determination of all Americans to promote our own jobs and industry. He wanted to ensure that when a label proclaimed ''Made in the U.S.A.'' it was, in fact, ''Made in the U.S.A.'

Doug was also a man who held firm to his beliefs. He would not play partisan politics if his conscience guided him in another direction. An opponent of abortion, he did not hesitate to part ways with the leadership and support a bill calling for parental notification. Never failing to stand up for what he believed in, he was the definition of a leader.

H.R. 2129 is but a small tribute for a man with as much integrity as Doug Applegate, who was as true a friend, and who fought for what he believed in the way Doug did. Again, I urge everyone who believes that great leaders should be memorialized, to cosponsor my bill to designate the U.S. Post Office in Steubenville, OH the ''Douglas Applegate Post Office.''

REAUTHORIZATION OF THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT, H.R. 1818

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 15, 1997

Mrs. MINK of Hawaii. Mr. Speaker, I rise to support the re-authorization of the Juvenile Justice and Delinquency Prevention Act, which would extend through fiscal year 2002 a valuable program treating juveniles in our society who are delinquent.

The purposes of the Juvenile Justice and Prevention Act are clear: early intervention and prevention of delinquency for juveniles; as well as proper management of the juvenile once the child is in custody. We must not forget that these are children that we are dealing with. Youth that we must reach as soon as possible and we must protect to ensure we do not lose them in the system.

I am glad to see that this bill is not another get tough on kids' bill as we saw earlier this session. H.R. 3, the Juvenile Crime Control Act of 1997 provided no balance of prevention and accountability to reduce the number of violent youth. H.R. 3 was simply in response to public misperception that all juvenile crime is escalating out of control when in actuality this is not so. The level of juvenile crime, including violent crime has actually declined over the past 20 years with one exception: juvenile homicides committed with handguns. It is important to note that juvenile homicide represents only one tenth of 1 percent of all juvenile offenses. In determining how best to respond to juvenile crime, we cannot simply respond to a small percentage of juvenile crimes that make the headlines, we must continue to include a proper balance of prevention and accountability for all juveniles who are delinquent.

I am happy to see that the four core mandates of the JJDPA will be retained in this bill. I am particularly glad to see that this bill will continue to address sight and sound separation as well as prevention efforts to reduce the disproportionate number of minorities that come in contact with the juvenile justice system.

Once a juvenile has been determined delinquent, we must make sure that the juveniles' first contact with the justice system does not shatter these children. We must make an effort to ensure the majority of juveniles who come in contact with the justice system are properly handled. H.R. 1818 in retaining sight and sound separation, continues to do this while safely adding more flexibility for the States complying with this requirement.

In my home State of Hawaii, status offenders comprised one-third of all juveniles arrested in 1994. These children need our help and must be exposed to community-based programs where they can receive the assistance they require. They should not be treated as disobedient minors, many if not most of these status offenders are fleeing physical or sexual abuse. H.R. 1818 not only retains the core requirement of deinstitutionalization of status offenders but continues funding for runaways and homeless under the newly created State block grants.

While Hawaii prides itself as a multicultural State, Samoans and Native Hawaiians continue to be overrepresented in our juvenile's system. Hawaiians and part-Hawaiians represent only 31 percent of the population across the State, while accounting for 35 percent of juvenile arrests and 53 percent of juveniles in the Hawaii Youth Correctional Facility. By strengthening and clarifying the disproportionate minority confinement core requirement, states may continue to take the necessary steps to properly address this problem.

I am glad to see that H.R. 1818 continues to provide funding to the programs that have proven their effectiveness in reducing juvenile crime. Programs such as mentoring, truancy prevention, recreation, job training, and drug rehabilitation to name a few will be streamlined into one block grant.

Having said that, I must express some concern over the prevention block grant formula. While it will streamline the discretionary grants in the JJDPA, we also must make sure it received adequate funding. Historically, block grants end up receiving less money once consolidated than the original program before consolidation. These discretionary grants go to the people on the front lines of juvenile justice, working day to day and reaching out to these children who need their help. We must make sure they are not short-changed.

I am glad to see bipartisan agreement that we must pass a strong comprehensive bill that will ensure that we take a balanced approach to juvenile crime. The passage of H.R. 1818 will ensure we have proper prevention to augment the purely punitive legislation passed earlier this year.

AMENDMENT TO H.R. 2107

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. FALEOMAVAEGA. Mr. Speaker, I spoke yesterday in opposition to Representative ISTOOK's amendment to H.R. 2107, the appropriations bill for the Department of the Interior and related agencies. The amendment would have prohibited new lands from being placed into trust for American Indians unless the tribes entered into agreements concerning the collection of certain taxes with local and State governments. I was not able to give my entire statement in the time allotted, and had submitted my entire statement to be included in the CONGRESSIONAL RECORD. This was not done. The following is my entire statement as I intended it to be entered in the RECORD:

MR. CHAIRMAN. I rise in strong opposition to the Istook/Visclosky amendment which would prohibit the use of BIA funds to transfer any new land into trust unless a binding agreement is reached between Indian tribes, states, and local governments regarding state and local excise taxes on retail sales to non-Indians on new trust land.

There are many reasons to oppose this amendment. First, as a matter of procedure, this is more than a matter of setting a level of appropriations. This amendment sets legislative policy on a subject under the jurisdiction of the Committee on Resources.

The issue of whether any additional statutory conditions should be placed on transfers of land into trust for Indian tribes deserves public hearings and the deliberations of the committee of jurisdiction. The subject of this amendment has not been considered by the Committee of jurisdiction. By proceeding with an appropriations rider, we lose the value of public input to Congress available through committee hearings, and those of us who serve on authorization committees are again locked out of the full deliberative process.

Many of you have seen the conflicting statements of the many ''Dear Colleague'' and other letters which have been circulated over the past ten days. In many cases, these letters are in direct conflict with one another. This is happening because there have been no hearings through which facts can be sought and properly reported from the committee of jurisdiction to the House. Now I ask you, is this the best way to set the nation's policy? When voting on a subject of this significance, wouldn't you be more comfortable having the benefit of prior legislative deliberations?

Turning now to the merits of the legislation, I believe it is not controverted that current law and regulations mandate that the Secretary of the Interior provide notice to state and local governments prior to making a final determination on taking Indian land into trust status. Additionally, the Secretary must consider the impact on state and local governments of removal of the land from the tax rolls.

Furthermore, state and local governments who disagree with a decision of the Secretary can appeal adverse decisions within the Department of the Interior and in the federal courts. If the land proposed to be transferred into trust is not part of a current reservation and the proposal is for economic development, the transfer is subject to a higher standard of scrutiny. This is a sufficient regulatory scheme already in place to protect the rights of state and local governments, and it keeps the negotiations between the Indian tribes and the United States, which is consistent with our government to government relationship.

If this amendment were enacted into law, state and local governments would be given an absolute veto over all future transfers of land into trust status. This is a significant change in national policy, and as I noted earlier, this change would be made with our only deliberations being today's debate.

Finally, Mr. Chairman, as a matter of equity, I find it very disturbing that we are debating today, yet another attack on the American Indian. I fear that efforts like this are a renewal of the efforts of Congress' in prior decades when actions were taken to make sure our first Americans are never given the opportunity to achieve success.

There was a recent advertisement I heard that pretty well summed up our treatment of this country's Indians. It went something like this: two hundred years of exploitation and neglect, more than 700 broken treaties, $2 billion in tribal trust funds lost or mismanaged, $200 million in funding cuts last year, and now politicians want to levy new taxes against tribal governments. Haven't they paid enough?

The ad was a brutally-accurate summary of our past treatment of the American Indians. The question for today is, do we continue along that destructive line of reasoning, or do we provide today's tribes with the opportunity to determine their future through their own self-initiative.

Most Indian reservations contain lands which are inholdings, plots of land within the reservation which were sold out of trust decades ago pursuant to the 1887 General Allotment Act. In many instances these plots contain homes occupied by tribal members who have inherited them or acquired them but have not had them taken back into trust by the Secretary of the Interior. Many tribes are extremely poor and have been in the process of having these homesites taken back into trust for decades.

The tribes are not doing this to set up truck stops or tobacco shops or any other form of commercial operation. Usually the tribes are merely working to reacquire their lands and to insure that those lands and the Indians who live on them will be eligible to participate in the various Bureau of Indian Affairs programs which apply only to trust lands.

Tribes are doing this for reasonable, practical purposes. The Bureau of Indian Affairs operates road maintenance programs, environmental services programs, real estate services programs, water resources programs, and a large number of other programs which only apply to trust lands. Tribes want their members to participate in and benefit from these programs.

However, if the Istook amendment is adopted and the Secretary of the Interior is precluded from taking any of these former trust lands back into trust, we will eventually have a new second class of citizen in this Nation. If the Istook amendment is adopted we will have some Indians living the life of the poorest of the poor who don't even qualify for various Bureau of Indian Affairs programs. We will have Indians living on Indian reservation land which does not qualify for any Indian program.

This is absurd, Mr. Chairman.

The gentleman from Oklahoma is trying to prevent a handful of Indians from setting up businesses which do not collect State and local sales and excise taxes. He is trying to resolve a problem that exists in a very few instances in a few States.

The vast majority of lands taken into trust by the Secretary of the Interior have nothing whatsoever to do with diesel fuel or tobacco or tax advantages. Instead of solving a problem common to only a few individuals, this amendment would create a whole new level of second-class citizens. This amendment would create a class of Indian which lives on lands within a reservation but receives no Bureau of Indian Affairs services; a class of Indian which receives no State sewer, no State water, no State police protection, no State fire protection, on other State services except State tax collection services.

Mr. Speaker, few lands have ever been enacted which would do so much damage while solving so few problems.

The gentleman from Oklahoma apparently is trying to stop Indian Tribes from setting up businesses which do not collect State and local sales and excise taxes. He is trying to resolve a problem that exists in a very few instances in a few States.

However, this limitation on appropriated funds would impact all Indian tribes in all States. The way I understand this amendment, not a single acre of land could be taken into trust, anywhere, for any reason. If that is not the first step toward ending any possibility of economic development for the poorest of this Nation's poor, I don't know what is.

In my opinion, this draconian limitation on appropriated funds is far worse than the problem.

I understand that a few Indian businesses are selling diesel fuel and tobacco and a few other types of merchandise without collecting

State and local sales and excise taxes. I can appreciate how this gives a competitive advantage to a handful of Indian businesses. I will support a bill which will cure this problem to the satisfaction of all of the interested parties.

But, the vast preponderance of land being taken into trust by the Secretary of the Interior has nothing whatsoever to do with tax advantages. Most parcels of land being taken into trust are small tracts consisting of an acre or two which lie within an existing Indian reservation, non-trust land scattered like a checkerboard between trust lands. Economically fencing, accessing, monitoring, and developing these checker boarded lands is extremely expensive, almost impossible.

The Interior Department spends millions upon millions trying to block up these lands and put them into useful production. But because of the 1887 General Allotment Act which allowed Indian lands to be sold and thereby taken out of trust, the Department has to take these lands back into trust.

The effect of the Istook amendment would be catastrophic for any Indian tribe which is trying to have even the smallest plot of land taken back into trust.

This spending limitation is aimed at solving a commercial problem which many of the States have already solved. Even Oklahoma has worked out most of its problems with these tax havens owned by an Indian tribe.

However, this limitation on appropriated funds ignores all of these solutions. Instead, this language would completely eliminate the Secretary of the Interior's ability to take any land into trust, in any State.

Mr. Chairman, this amendment is not only unnecessary but also wrong. The Indians of this Nation suffer the highest unemployment anywhere. Health care, child care, economic opportunity, and just about any other social service available to the average American is barely available on a marginal basis to Native Americans.

What we do not need is this strangle hold on the Secretary of the Interior.

I urge my colleagues to oppose the Istook amendment.

TRIBUTE TO FRANK PARKER

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. THOMPSON. Mr. Speaker, I rise today to honor the late Mr. Frank Parker who died on Thursday, July 10, 1997. He was born in Mount Pleasant, PA. He graduated from Oberlin College in 1962 and then spent 2 years at University College, Oxford University, England. In 1966, he received his juris doctorate degree from Harvard Law School.

After law school, he began his distinguished career in the Office of the General Counsel of the U.S. Civil Rights Commission. He wrote the commission's report, ''Political Participation'' in 1968.

Mr. Speaker, I first met this giant of a man in 1968 while he was a lawyer in the Mississippi office of the Lawyers' Committee for Civil Rights Under Law. He served courageously in the protection of civil rights of black Mississippians in this office for 13 years. Mr. Parker was a strong advocate for voting rights and worked vigorously for passage of the Motor Voter Act. His tireless fight for justice and equality is one of the defining principles of his life.

Mr. Parker was a MacArthur Foundation Distinguished Scholar at the Joint Center for Political Studies in Washington, DC, in 1985 and 1986 and spent the year doing research for ''Black Votes Count.'' The book was honored by the American Political Science Association, the Mississippi Historical Society, and the Gustavus Myers Center for the Study of Human Rights in the United States.

In 1992 and 1993, Mr. Parker returned to the Joint Center for Political Studies and did research for a book supporting affirmative action. Mr. Parker taught at the District of Columbia School of Law from 1992 to 1995. He taught law at American University for a year before leaving to take a position as a visiting professor of constitutional law at Washington and Lee University in Lexington, VA.

Mr. Parker leaves a proud legacy as a husband, father, brother, mentor, civil rights leader, community activist, and great American.

Mr. Speaker, I ask you to join me in saluting the late attorney Frank Parker for his outstanding contributions to this Nation.

INTRODUCTION OF THE CHILD ABUSE NOTIFICATION ACT

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. FRANKS of New Jersey. Mr. Speaker, today I rise to introduce the Child Abuse Notification Act of 1997. Children are solicited by pedophiles on the Internet everyday, and child pornography rings are doing a thriving business peddling their filth over the Internet. These actions are crimes. However, few perpetrators are apprehended because law enforcement can't effectively police the Internet, and Internet crimes are frequently not reported.

Federal law requires photo developers, doctors, teachers, and therapists to report incidents of suspected child abuse to law enforcement. However, Internet service providers [ISP's] are not currently held to that same standard. As a result, ISP's often respond to complaints of criminal activity against children by simply removing the offender from their system. Perpetrators are free to move to a new system or re-register under a new name. Either way, children are no safer.

That's why I hope you will join me as a cosponsor of the Child Abuse Notification Act. This bill would add Internet service providers to the categories of professionals who must report suspected child abuse to law enforcement. This simple and effective legislation will help make the Internet safer for our children.

I hope my colleagues will join me by cosponsoring this important legislation. We must not allow a small band of criminals take the opportunities provided by the Internet away from our children.

RECOGNIZING THE RETIREMENT OF SISTER FRANCINE NOLAN

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. KLINK. Mr. Speaker, I rise today to congratulate Sister Francine Nolan on her retirement after 48 years of service to the Diocese of Pittsburgh and Greensburg, PA.

Sister Francine graduated from St. Xavier in 1948 and has been touching people's lives ever since. Having been raised in Pittsburgh's St. Paul Orphanage, Sister Francine devoted her life to giving back to the diocese and to teaching God's children. Since 1949, she has taught at various area schools.

Throughout her career Sister Francine has been recognized for her achievements. In 1975 Sister Francine was recognized as the National Teacher of the Year and in 1976 she was named the Pennsylvania Teacher of the Year. The people of western Pennsylvania are truly blessed to have had sister Francine as a part of their education community.

Sister Francine Nolan epitomizes the spirit of sharing and caring that makes our Nation great. Her legacy of teaching children will live on through those who have had the opportunity to work and learn with her. The French satirist Voltaire said that ''We must cultivate our garden.'' Sister Francine, you have cultivated your garden and now it is time to sit back and enjoy the fruits of your labor.

So my fellow colleagues, it is with great pleasure that I urge you to join me in commending Sister Francine for her achievements. She has touched the lives of all who have known her and has demonstrated a commitment to service that the Diocese of Pittsburgh and Greensburg, as well as the entire fourth congressional district, can be proud of.

IN REMEMBRANCE OF THE VICTIMS OF THE ''13TH OF MARCH'' TUGBOAT MASSACRE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Ms. ROS-LEHTINEN. Mr. Speaker, we recently marked the third anniversary of one of the many heinous crimes committed by the Castro regime against the enslaved people of Cuba.

It was on July 13, 1994, that a group of 72 Cuban refugees boarded the ''13th of March'' tugboat in an effort to find freedom in the shores of the United States. But shortly thereafter their vessel was ambushed and savagely attacked by Cuban gunboats while still in Cuban waters.

Survivors tell the tale of how Cuban authorities mercilessly fired water cannons at the liberty seeking refugees, while at the same time ramming the tugboat in an effort to destroy it. Women and children screamed for pity—for mercy—but their cries for help went unanswered.

As the boat sank, refugees scrambled for their lives in the deep, warm ocean of the Caribbean, but it was all in vain for the Cuban gunboats circled the sinking ships creating a

whirlpool that literally sucked the life of the refugees. Among the dead were 2-year-old Sixdy Rodriguez, 3-year-old Angel Rene Abreu, and dozens of other women and children. The death toll is estimated at 42, but we will never know the exact number.

This is the brutality that the Cuban people have faced daily for the past 38 years and it is why this Congress and this Government must continue to do all it can to help the Cuban people in their struggle to achieve freedom.

THE ROLE OF GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 16, 1997, into the CONGRESSIONAL RECORD.

THE ROLE OF GOVERNMENT

The key question in American democracy has always been the proper role of government: what it can do, what it should do. Some people believe that government should solve problems and protect people. Others think that government should stay out of people's lives. Still others believe it should help people equip themselves to solve their own problems.

President Reagan said that government is the problem. President Clinton has said that government is neither the problem nor the solution but the instrument by which we give each other the tools to make the most of our own lives. Throughout our history we've been trying to find the right balance between what the state does and what is best left to the individual or the private market.

Changing attitudes: There has been a major shift in attitude toward the role of government in recent decades. In the early 1960s many were brimming with optimism over the potential of federal programs to solve all kinds of problems: alleviating poverty, curbing racial discrimination, extending health insurance, and rebuilding America's cities. More recently the mood has shifted toward pessimism about what government can achieve that is worthwhile. Many believe that government creates more problems than it solves, and some people today loathe or even fear the government. As is often the case, the truth is probably somewhere between the gloom and the euphoria about government's role.

Skepticism toward government has always been a healthy strain in American thinking. The Constitution with its emphasis on measures to check official power reflects that view. But overall, most Americans probably recognize that government has several important roles.

Meeting important needs: One role of government is meeting important needs. Polls show that programs like Medicare and Social Security, which have greatly improved the lot of older Americans, remain very popular. There is also widespread support for a strong national defense, public education, law enforcement, environmental protection, and immigration control.

America is an individual-centered society, but when violence spreads and prisons explode with new inmates, when social divisions widen between society's have's and have not's, when the schools lag behind those in other countries, then part of the way to cope with these problems more effectively is to have government action.

Providing opportunity: Government also helps provide equality of opportunity. Over the years it has stepped in through civil rights laws, free public education, progressive taxation, and transfer programs to moderate some of the inequality in our market-based economy.

Most of us recognize that the notable achievements of our nation occur where individual talent and creativity blossom. Often that happens without government, but sometimes government is important in ensuring that individuals receive the opportunity and the backing they need to get ahead if they work hard.

Reflecting core values: Another role of government is to reflect important values. Government steps to prohibit child labor, preserve endangered species, or help keep older Americans out of poverty give expression to important social values.

Often people judge government policies less in economic terms than in moral terms of right and wrong. For example, they support Head Start, not because of its impact on the economy but simply because it is right to give a child a chance to get an education. They talk about protecting the environment as a way of preserving certain values for future generations, and urge campaign finance reform to remove corruption from the system.

Curbing excesses of market: Government is also needed to curb excesses of the market. Government doesn't replace the market but it can on occasion usefully complement it. The market clearly was not working well in the Great Depression, and the government stepped in to promote maximum employment and purchasing power.

We should rely on private sector markets but we should also be aware of market imperfections. Left to themselves markets can produce too little of some goods like scientific research and too much of other goods like pollution. They can leave behind large parts of society, particularly in the inner cities or in remote areas.

Limited, efficient government: Although government plays several important roles, most Americans also recognize its weaknesses. They clearly favor a limited, more efficient, less costly government.

Certainly there is a lot wrong with government. It can be wasteful, make mistakes, and be paralyzed by gridlock. It can fail to deal successfully with issues of great importance to the American people. Problems of cooperation can crop up repeatedly among the various levels of government. Yet we have a very difficult time shifting through the many activities of government and discarding programs that are no longer needed or are ineffective. Once established, government programs tend to keep going, protected by affected constituents, lobbies, and congressional committees. Many people will tell you that the functions of government must be kept to a bare minimum but then casually accept the benefits of many government programs, such as driving on a federally built highway. However difficult, we must continue our efforts to streamline government.

Conclusion: The character, initiative, and resourcefulness of the American people are still key to the nation's success. But so are various government activities like good education, basic research, and infrastructure. Good policy choices by the government, the skill with which legislation is crafted and implemented, and the effectiveness of government can make a big difference and can help restore confidence in our national institutions.

Government may be part of the problem for the United States, but it is also part of the solution. I don't see any way out of many of the difficulties that confront us without enlightened public policies. Whether we like it or not, government will play a significant role in our lives. We have to work harder at making that government work better and cost less.

TRIBUTE TO THE LIFE AND ACHIEVEMENTS OF COMMISSIONER CHARLES H. ''CHUCK'' SHOUDY

HON. MICHAEL R. McNULTY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. McNULTY. Mr. Speaker, the life and achievements of the Honorable Charles H. ''Chuck'' Shoudy, Commissioner of the Albany Department of Human Resources, were an inspiration to many. It is with great sadness that I inform the House that Chuck Shoudy died in a car accident on June 30, 1997. He was 50 years old.

With Chuck's death, the City of Albany, NY, lost a much loved and valued public servant—and I lost a good friend. His life was motivated by a tireless and creative commitment to helping economically disadvantaged individuals help themselves.

Chuck Shoudy was named director of the Albany County Neighborhood Youth Corps in July 1971—a program he helped to develop. In 1974, he was appointed director of the city of Albany's Department of Human Resources, holding such positions as deputy commissioner and executive deputy commissioner before becoming commissioner of the department in July 1990.

Born in Albany, he knew every nook and cranny of the city but, above all, he knew the people—the young and the elderly—and he was devoted to them. He reached out to the jobless and sought to help them by providing them with education, skills training, and jobs.

Chuck believed that everyone—given the opportunity—would choose to be a productive citizen. Over the years, he enabled tens of thousands of men and women to enter the workforce. At the time of his death, he was administering and coordinating 10 programs, including On-the-Job Training, Albany Service Corps, Services for Dislocated Workers, an older worker program—Club 55, Training for Trades, and a youth internship program.

He was a devoted father to his children, Elizabeth and Daniel—and a devoted brother to his only sister, Linda C. Martin.

Chuck Shoudy made a difference, and he will be sorely missed.

SALUTE TO CORNELIUS ''NEAL'' GREEN, JR.

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. THOMPSON. Mr. Speaker, I rise today to pay tribute to the late Mr. Cornelius ''Neal'' Green, Jr. On April 21, 1997, Mr. Green departed this life at the age of 49 due to an extended illness.

He attended Jackson public schools and graduated from Jim Hill High School. After

high school he enlisted in the U.S. Army and served 3 years of active duty and he remained active in the Army Reserve until January 1990. His last duty assignment was with the 185th Aviation Battalion where he was the communications section leader and attained the rank of sergeant first class.

After his 3 years of active duty, he returned to Jackson and enrolled in Jackson State University where he received a bachelor of arts in political science and masters of science in counseling. Cornelius was an active member of Phi Beta Sigma Fraternity, Inc. Cornelius began a career with the Travelers Insurance Co. as a financial services sales representative and continued his career as a marketing associate, agency supervisor, production supervisor and senior account analyst. He had an outstanding career and received many awards for his job.

Mr. Green's memory will be forever cherished by his devoted and loving wife of 24 years, Tomie Zean Turner Green; two children: Nikisha and Synarus, and a host of relatives. Mr. Speaker will you join me today in honoring late Mr. Cornelius ''Neal'' Green, Jr.

THE INTERNATIONAL ARBITRATION ENFORCEMENT ACT OF 1997

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. McCOLLUM. Mr. Speaker, last week I introduced the International Arbitration Enforcement Act of 1997, H.R. 2141, a bill designed to protect the investments of U.S. citizens overseas. It will provide a civil remedy in U.S. courts for damages suffered from a violation of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards by a foreign state.

The New York Convention is a multilateral international treaty drafted in New York in 1958. The United States joined the convention in 1970. Binding arbitration clauses are frequently used in international business contracts, providing a prompt and relatively inexpensive dispute resolution mechanism. Signatories to the convention commit themselves to enforcing awards of foreign arbitration panels in their domestic courts. Failure to enforce an award, unless based on one of the limited defenses specified in the convention, in my opinion, raises an obligation on the part of the offending signatory to satisfy the debt at issue.

Arbitration clauses such as those governed by the convention are especially important in countries that do not have a tradition of adhering to the rule of law as we know it. There, if a conflict arises triggering arbitration, a neutral third-country forum enables resolution of the dispute free from the biases of local courts and the vagaries of an unresponsive judiciary. The usefulness of this mechanism depends, however, on the commitment of signatories to the convention to provide a process through their courts when the prevailing party returns to enforce and collect. When a signatory fails to provide such a process or otherwise impairs the ability of parties to collect on foreign awards, U.S. citizens often find themselves without any remedy notwithstanding an award in hand obtained through process measure of protection to U.S. citizens against economic injury resulting from violations of the New York Convention by foreign states by creating a civil remedy against the foreign state in U.S. courts and providing for enforcement of any resulting judgments against certain assets of the foreign state in the United States.

The case of the Ross Manufacturing Corp. of Florida illustrates the need for the remedy provided for in this bill. In July 1993, Revpower Limited, owned by Ross Manufacturing Corp.—f/k/a Ross Engineering Corp.—obtained a unanimous arbitral award in the amount of US$4.49 million against its Chinese State-owned trading partner, the Shanghai Far East Aero-Technology Import and Export Corp.—SFAIC. With interest the award now totals almost $9 million. Since that time, Revpower has been trying to enforce its award through the Chinese court system with essentially no success. Indeed it was only after enlisting the interest and support of the United States State and Commerce Departments and numerous Members in both Houses of Congress that the Chinese court even accepted Revpower's enforcement action for filing. A review of Revpower's 4-year effort to enforce its award makes it abundantly clear that the Chinese Government has, by failing to provide a viable enforcement mechanism in accord with its obligations under the New York Convention, effectively blocked and delayed Revpower's enforcement efforts and rendered its arbitral award worthless for all practical purposes.

By its actions in this dispute, China has signaled that it is no longer bound by the terms of the New York Convention and, consequently, Revpower and Ross Manufacturing are without any remedy to redress their economic injuries. This bill would provide that remedy to Ross Manufacturing and all citizens and corporations of the United States who encounter foreign nations unwilling to live up to their obligations under the New York Convention.

Mr. Speaker, I invite my colleagues to join me in supporting this bill and, in so doing, underscore the importance of the rule of law and respect for international treaty obligations.

THE 250TH ANNIVERSARY OF SAWYER FARM IN ORANGE COUNTY, NY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. GILMAN. Mr. Speaker, I rise today in order to call to the attention of our colleagues the 250 anniversary of the Sawyer Homestead and Farm, in Orange County, NY. It is my unique pleasure to rise before the House today and call upon my colleagues to join with me in congratulating the Sawyer family in maintaining a heritage which extends back so many generations.

It was on the fourteenth day of September, 1747, that an indenture was made, allowing Richard Sawyer to acquire the initial properties at Maple Avenue, on which the Sawyer Homestead and Farm rest to this very day. This homestead is one of the oldest in the state, still retained by the original family. This is made all the more unique due to the fact that it has never in its 250 year history gone out of the original surname.

Maintaining a homestead and the traditions that become attached to it, throughout the generations, through political upheavals and monumental changes in the world and in society should be admired by all. The value of the family, both present and past, is at the core of this establishment, and is an example to us all.

The descendants of Richard Sawyer are celebrating this anniversary on the weekend of August 2, 1997 at Sawyer Farm, where so many generations were born and raised. On this auspicious occasion, I would especially like to mention Ethel Sawyer Martin, who will reach the age of 99 on November 11, 1997, and is the oldest living Sawyer family member. My heartfelt congratulations go to her, and may she have many more happy years on the Sawyer Homestead and Farm.

Mr. Speaker, in joining the celebration on this important occasion, I invite our colleagues to join with me in extending greetings and congratulations, and the best of luck for the next 250 years.

TRIBUTE TO A FALLEN HERO

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. ETHERIDGE. Mr. Speaker, I rise to pay tribute to Det. Paul Hale of the Raleigh Police Department who was killed in the line of duty last Friday. Detective Hale is survived by his wife, Connie, and their daughters, Jessica Anne, age 10, and Stephanie Lynn, age 7.

Mr. Speaker, I did not know Detective Hale personally, but I know well of his work and that of his brother police officers. Law enforcement officers in North Carolina serve day-in and day-out on the frontlines in the battle to secure safe streets and communities. As this tragic event illustrates, too often this battle is waged against long odds.

Paul Hale excelled at his dangerous, often thankless, job. His 7 years of exemplary service won him a promotion just last week to the esteemed rank of police detective. Recognized for his skills in pursuing lawbreakers, Detective Hale was hot on the trail of a murder suspect when a 9-millimeter bullet to the head snuffed out his young life. The perpetrator of this terrible crime is reported to be a teenager with a history of criminal activity.

Mr. Speaker, the tide of youth violence is rising at a rapid rate. I have spent several days in recent months on patrol with North Carolina's men and women of law enforcement as they endeavor to thwart this growing threat. Although statistics tell us overall violent crime is down some 5 percent nationwide, youth violence has risen by 6 percent in my home State.

We must adopt a tough and smart new approach to stem this rising tide of youth violence. Law enforcement is struggling hard to do the job, but they cannot do it alone. They need and deserve our help and support.

Mr. Speaker, last week, Paul Hale made the ultimate sacrifice to serve and protect the people of North Carolina. I call on this Congress to take aggressive action to crack down on violent criminals and demonstrate that this North Carolina hero did not die in vain.

CHANGE IN CHINA WILL COME THROUGH ENGAGEMENT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. BEREUTER. Mr. Speaker, this body has once again completed its annual debate over retention of MFN, or normal trade status, to China. While the actual fate of MFN was never truly in doubt, during the week or two before the debate, that debate was marked by a wide array of accusations and charges. In the aftermath of this debate, it is understandable that there is some confusion as to the precise nature of our vital interests in China, and how best to pursue those interests.

This Member believes that linkage of trade to human rights does not advance United States vital interests, nor does it promote democracy in China. As an excellent editorial in the Lincoln Journal Star recently noted, ''there is a fine line between making our views known to China and trying to, or even thinking we can, impose our will. * * * While we should continue to speak up for the rights of other peoples, including those in Hong Kong, we will have more influence if we simply maintain an open relationship with China in which there is a free flow of people and goods.''

Mr. Speaker, this Member commends to his colleagues the July 2, 1997 editorial entitled ''Best way to influence China through open relations, trade'' in the Lincoln Journal Star and asks that it be submitted as part of the RECORD.

[From the Lincoln Journal Star, July 2, 1997]

BEST WAY TO INFLUENCE CHINA THROUGH OPEN RELATIONS, TRADE

The spectacle that unfolded in Hong Kong this week has provided a good opportunity for Americans to focus attention on China. The more we know about the world's most populous nation, the better we will understand it.

And that's imperative as China develops into a world-class economic power.

In the sweep of history, the return of Hong Kong from British to Chinese rule is a welcome event. Hong Kong belongs to China. It is Chinese. The passing of the racist-tinged relic of Western colonialism should be a cause for celebration, not mourning.

The legitimate concerns surrounding this week's historic transfer of power center on protection of Hong Kong's economic and political freedoms. While the former seem relatively secure, the latter may turn out to be not quite as broad as they once were, certainly not as unfettered as we would want them to be. We will have to wait and see.

While we can, and ought to, monitor events as they progress in Hong Kong, we should recognize that the economic forces already unleashed in China are likely to carry it along the path to broader personal freedom. And we need to understand that, try as we might, we cannot dictate the pace of change.

It is fair to expect China to abide by the agreement it negotiated with the British in which it promised to abide by a ''one country, two systems'' formula that guaranteed a level of autonomy for Hong Kong that would protect its market economy and democratic freedoms. China should be held accountable for keeping its word.

But there is a fine line between making our views known to China and trying to, or even thinking we can, impose our will. We need to be sensitive to such issues as sovereignty and national pride in making our case, and to China's long-held suspicion that we are embarked on a new form of colonial dominance called American hegemony.

It would be useful if we sometimes tried to step back and see ourselves from other people's eyes. China's leaders may ask how we would like it if they questioned our civil rights record, or the plight of our poor in the midst of vast wealth, in the court of world opinion.

While we should continue to speak up for the rights of other peoples, including those in Hong Kong, we will have more influence if we simply maintain an open relationship with China in which there is a free flow of people and goods.

In the long run, congressional approval of President Clinton's renewal of normal trading relationships with China will do more to positively influence the lives of Chinese citizens than any of our lectures.

It is difficult to keep societies open and regressive at the same time.

And economic freedom begets broader personal and political freedoms.

LET'S NOT REOPEN THE IMMIGRATION REFORM BILL

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. PACKARD. Mr. Speaker, I am outraged by the recent actions taken by Attorney General Janet Reno. Friday morning, I read that she unilaterally decided to suspend deportation proceedings for hundreds of thousands of illegal immigrants. This decision to disregard the ruling by the Board of Immigration Appeals and attempt to overturn current law through administrative action is simply unacceptable.

Last year, we took strong and decisive action to curtail illegal immigration. Our immigration reform measure specifically raised the bar for those facing deportation because previous law enabled millions of illegal immigrants to remain in the United States permanently. It was an action taken to ensure that only those illegal immigrants who truly face an exceptional and extremely unusual hardship to an immediate relative remain in this country.

Now that we have shut the door on illegal immigration, the Clinton administration wants to reopen it. We have seen through the great failure of the Citizenship USA Program that this administration will do whatever it takes to allow illegal immigrants to remain in the United States. This most recent action is just another attempt at granting asylum for illegal immigrants. Illegal immigration is a growing problem and every illegal immigrant should be treated the same under current law.

Mr. Speaker, I have begun circling a letter to send to Attorney General Reno opposing her actions to suspend the deportation proceedings for illegal immigrants. The law is quite clear on this issue and everyone should be held to the standard that Congress set in last year's immigration reform bill. Illegal immigration is an enormous problem that affects every state in the nation. I encourage all of my colleagues to sign on to this important letter.

TRIBUTE TO BORINQUEN PLAZA SENIOR CENTER

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Ms. VELÁZQUEZ. Mr. Speaker, I rise today to pay tribute to the Borinquen Plaza Senior Center as it celebrates 20 years of existence. The organization is located in New York City in the community of Williamsburg, Brooklyn. Throughout the years, the Center has been a vital resource and has provided a safe haven for one of our communities most precious assets—our senior citizens.

The Borinquen Plaza Senior Center officially opened in 1977. However, before it was an established organization, it was first an idea born out of the hearts and minds of men and women of various cultures and nationalities. Through their tireless efforts and willingness to dream big, thus was born an organization whose ultimate mission is to care for the elders of our communities. Elders are the wise individuals who we also know as our parents and grandparents.

On any given day over 300 seniors pass through the doors of the Borinquen Plaza Senior Center, receiving services ranging from breakfast and lunch to assistance in obtaining entitlement benefits. An additional 200 homebound seniors receive meals delivered directly to their doorsteps as part of the Center's Meals-on-Wheels Program. Furthermore, the Center is one of the few programs that opens its doors on Thanksgiving and Christmas day to provide meals to seniors.

As we move forward into the next century, I am confident that the Borinquen Plaza Senior Center will continue its outstanding work. The Center is a shining example of community service at its best and it will always have a friend and advocate in NYDIA M. VELÁZQUEZ.

In light of the above, Mr. Speaker, I ask my colleagues in Congress to join me in congratulating the Borinquen Plaza Senior Center on its 20th year anniversary.

SUPPORT THE LIBERTAD ENFORCEMENT ACT

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. MCCOLLUM. Mr. Speaker, today the President served notice that he will waive key provisions of the LIBERTAD Act, otherwise known as Helms-Burton. This legislation had three significant provisions. First, it codified all existing Cuban embargo Executive orders and regulations. It denies admission to the United States to aliens involved in the confiscation of United States property or the trafficking of confiscated property in Cuba. Finally, title III of the act allows United States nationals to sue for money damages in U.S. Federal court those persons that traffic in United States property confiscated in Cuba when Castro took over. Essentially, Congress intended to let U.S. corporations and individuals who own property confiscated by Fidel Castro to recover the unjust enrichment from corporations of other countries who have been managing

and making a profit on these properties. The President was given the authority to waive this last provision in exceptional circumstances if it would expedite the transition to democracy in Cuba and if it were in the national interest of the United States.

Unfortunately, the President has somehow come to the ridiculous conclusion that waiving the provision allowing suits to be filed has expedited the transition to democracy. As far as I can tell, there are absolutely no signs of democracy in Cuba. There is, in fact, no transition to expedite. Furthermore, U.S. nationals continue to suffer the loss of their property, now being used for profit by Castro and businesses of our trading allies. Apparently the President believes this is in our national interest—helping our European allies, Canada and Mexico profit at the expense of United States nationals. This is outrageous.

Mr. Speaker, as a result of this continued charade by the President, I am introducing legislation that will allow Helms-Burton to go into full effect despite the President's continued caving to pressure from our allies. Our colleagues, Mr. BURTON, Mr. GOSS, Mr. GILMAN, Mr. DIAZ-BALART, Mrs. ROS-LEHTINEN Mr. SOLOMON, Mr. LIVINGSTON, Mr. COX, and Mr. BALLENGER, are also joining in this effort. The bill is the LIBERTAD Enforcement Act, which would repeal the waiver authority granted to the President in the original Helms-Burton legislation. It is clear that the President has abused his authority, waiving critical provisions of Helms-Burton without making even a remotely convincing case that it is expediting democracy in Cuba or that it is in our national interest. Therefore, the authority should be repealed.

Let me explain why the repeal of the waiver authority is so important. Cuba has been under a dictatorship for about 38 years now. Castro's dictatorship makes a mockery of human rights and it is an absolute disgrace that we allow this to happen 90 miles from my home State of Florida. We need to end this situation, and we should have done so long ago. The biggest problem facing us is no mystery at all. It is our allies in Europe, Canada, and Mexico who sustain Castro's regime through continued economic activity. These accomplices have continued to argue that their involvement was used as leverage against Castro and his tyrannical regime to improve human rights and promote democracy in Cuba. To date, these efforts have had zero success. In fact, the economic relationships of their businesses have not only profited these foreign corporations at the expense of American owners of Cuba property, but also hurt efforts to end Castro's dictatorship. The continued flow of hard currency into the island has helped Castro maintain an otherwise difficult situation. The threat of Helms-Burton enforcement has at least forced some lip service from our allies about human rights and democracy in Cuba. Unfortunately, the President has received little more from them than that as he continues to bow to our allies' pressures to waive the right to file lawsuits against those who traffic in confiscated property.

It is these lawsuits that would curtail some, certainly not all, of the trade activity in Cuba. The cost and potential penalties involved in these suits would make dealing in stolen goods less appealing. It is this hit in the purse that will force our allies to confront the reality of abuses in Cuba. If their bottom line is affected, maybe then our allies would do the right thing in Cuba and end their trafficking in stolen property while working more effectively toward democracy.

Mr. Speaker, I would like to stress that that is all we are talking about here. This is not whether people trade with Cuba. That is another topic for another day. This is only about dealing in stolen U.S. property—otherwise known as unjust enrichment. It is our obligation to ensure that property rights of U.S. citizens is protected. I realize that this is not a situation unique to Cuba. There are other countries around the world that share similar problems which also need to be addressed. We should work for a multilateral agreement recognizing unjust enrichment rights of owners of confiscated property. However, Cuba's natural relationship (geography, culture, etc.) to the United States is unique. Therefore, we must take unparalleled steps against this practice now. That is what Helms-Burton was all about.

Helms-Burton was designed to make tough action a reality. For whatever reason, the President has continued to kowtow to European pressure and eviscerate the legislation by waiving title III for patently phony reasons. This outrageous practice must stop. I urge my colleagues to support the LIBERTAD Enforcement Act.

A RECOGITION OF THE ESTABLISHMENT OF THE KARTAR SINGH DHALIWAL PROFESSORSHIP OF PUNJAB/INDIAN STUDIES

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. BARRETT of Wisconsin. Mr. Speaker, today I would like to recognize the establishment of the Kartar Singh Dhaliwal Professorship of Punjab/Indian Studies at the University of Wisconsin-Milwaukee. This professorship, provided through a generous gift from Darshan Singh Dhaliwal to honor his father, will promote the study of the civilization of Punjab and India.

The professorship will focus on the study of the culture, religion, history, and civilization of this fascinating region. This professorship will allow American students to learn about an area that has existed since the beginning of civilization and whose constant development makes it one of the most exciting and innovative parts of the world. The University of Wisconsin-Milwaukee will appoint a professor whose teaching will include Indian languages and courses in Sikh and Indian civilization. In addition, there will be collaborative research projects undertaken with universities in Punjab, an exchange of faculty and students with these universities and a biannual conference on Sikhs, Punjab, and its culture.

As the world we live in becomes more multicultural and our communities become truly international, the gift of this professionship will ensure that this generation and future generations will learn about and appreciate the rich history and culture of Punjab and India. Milwaukee, and indeed, all communities can only benefit from this endeavor. Therefore, I commend and congratulate Darshan Singh Dhaliwal and the University of Wisconsin-Milwaukee on the establishment of the Kartar Singh Dhaliwal Professorship.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

SPEECH OF

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 15, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill, H.R. 2107, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes:**SHD***STERLING FOREST

Mrs. ROUKEMA. Mr. Chairman, this is a proud day for the people of New Jersey and New York, and I want to thank Chairman REGULA for his diligence in seeing that the purchase of Sterling Forest becomes a reality. The $8.5 million included in this legislation will ensure that northern New Jersey's drinking water will remain clean and safe.

For years, I have worked with Chairman REGULA to secure the appropriate funding levels for Sterling Forest. Last year the chairman was instrumental in seeing that language was included in the Interior appropriations bill which ranked Sterling Forest as one of the nation's top two priorities for land acquisition and he recommended that Sterling Forest receive $9 million as downpayment on the Federal Government's $17.5 million share of the purchase price.

Without this final $8.5 million Federal installment of funds, the entire $55 million project would be at risk. With the passage of this bill today, we are one step closer to celebrating the completion of this landmark project.

WALLKILL RIVER NATIONAL WILDLIFE REFUGE

I am also most grateful that the chairman included $1.3 million for the Wallkill River National Wildlife Refuge. Wallkill is one of the most fertile valleys and natural wildlife areas in New Jersey. The environmental education opportunities provided at the Wallkill Refuge as well as the important resources protected there are certainly a worthwhile investment that will have lasting impacts for generations to come.

However, while I am grateful for the $1.3 included in this bill, I had requested $3 million for the project this year. That $3 million is needed this year to complete the acquisition of critical wildlife habitat lands along the river. I want to stress that these lands are currently available and ready for purchase from willing sellers. For this reason, I will continue to push for additional money to complete the acquisition.

Earlier this year, I joined several other members in sending a letter to Appropriations Committee Chairman LIVINGSTON urging him to increase the Interior Subcommittee's spending allocation for fiscal year 1998. After several years of continuous reductions for the subcommittee charged with ensuring adequate protection of our natural resources, I was pleased that our effort was successful and that the subcommittee was given an additional $500 million. In addition, I was pleased that

the budget agreement included an additional $700 million for the Land and Water Conservation Fund.

I had hope that the committee would move to incorporate the additional $700 million in Land and Water Conservation funds provided for in the Balanced Budget Agreement so that it could be used for projects like Wallkill, Delaware Water Gap Recreation Area, and other worthy projects in New Jersey.

Unfortunately, the committee chose not to allocate that $700 million in their report. However, I will continue to push for allocation of that $700 million as this appropriation's bill continues through the process.

I am painfully aware of how difficult a job Chairman REGULA and others on the Appropriations Committee have in this time of tight budgets. Please know that I am most grateful for the moneys included in this bill for Sterling Forest and Wallkill, and appreciate your continued support of these important New Jersey projects.

TRIBUTE TO TAVELLI ELEMENTARY SCHOOL

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to pay tribute to an excellent program that takes place in one of the schools of the 4th Congressional District in beautiful Colorado. This is a program called Dream Team, which endeavored about 5 years ago, to give additional assistance to children who needed a little extra help in reading. Since then, it has expanded into a comprehensive mentoring program where the older children get together every morning and help the younger children, not only in reading, but in math, and computer skills. This program was designed at Travelli Elementary School in Fort Collins, CO. The sixth graders run the program with the help of Mr. Bill Patterson, a physical education teacher, who saw a need and decided to fill it. The program's success is due in large part to the extensive participation of the students enhancing their own learning and teaching themselves new skills.

The Dream Team program teaches young children crucial lessons in leadership and teamwork. Guest speakers come in each week to discuss different topics which give the students a glimpse at the working world. I would like to take this opportunity to read a letter by one of the students participating in the program which will best explain the opportunities presented by a program such as this.

MY EXCITING MOMENT BY AMBER GILMORE

My significant moment was when I was ten years old and in the fifth grade. I was attending Travelli Elementary School.

At Tavelli there was an organization involving several fifth and sixth graders coming to Tavelli an hour before school starts, and assisting children who are in the Chapter 1 program in grades first through fourth with their reading and their dreams. What we means by dreams is, if a student has a dream to meet a specific person, he or she might dictate a letter to one of the fifth and sixth graders, the fifth or sixth grader would modify what the little kid said. We would send the letter and if he or she had the time they would come in and read us a story. One time astronaut Marty Fetman came in and told us about his experiences in the space program.

One time Sarah Smith and I (we were the people in charge of Dream Team) wrote to Bea Romer, Governor Roy Romer's wife. Mrs. Romer is very involved with literacy. Well, after we wrote her she responded and said that she would like us to visit her at her mansion in Denver. The entire Dream Team got dressed up, got onto a bus and headed for the Governor's mansion. We met her, it was so cool! I even have a napkin to prove it. She read us a story, and then she shared some cookies with us. Then her assistant showed us around the mansion. Mrs. Romer requested media there, but they didn't show. After that we went to the capitol house, and met with our state representatives. I don't think that the little kids really understood the experience but I really enjoyed it.

Mr. Speaker, this is an excellent example of how we can utilize resources outside the normal bounds and really reach children. This program is run by volunteers and the students help to write grants to assist with the funding. Involving the children themselves, teaching them how to lead and use their own capabilities is the best way to insure a good future for American's youth. Thank you Mr. Speaker for allowing me to show this fine example of a program that really works.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 17, 1997, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 18

10:00 a.m.
Appropriations
Interior Subcommittee
Business meeting, to mark up proposed legislation making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998.
SD–124

JULY 21

10:00 a.m.
Judiciary
To hold hearings to review the FBI crime laboratory.
SD–226

2:30 p.m.
Governmental Affairs
International Security, Proliferation and Federal Services Subcommittee
To hold hearings to examine the Department of Defense compliance review process to determine whether theater missile defense and systems comply with treaty obligations.
SD–342

JULY 22

9:00 a.m.
Energy and Natural Resources
To hold hearings to review the Department of the Interior's handling of the Ward Valley land conveyance, S. 964, proposed Ward Valley Land Transfer Act, and related matters.
SD–366

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine certain clean air issues with regard to agriculture.
SR–332

10:00 a.m.
Foreign Relations
To hold hearings on the nomination of Stanley O. Roth, of Virginia, to be Assistant Secretary of State for East Asian and Pacific Affairs.
SD–419

Governmental Affairs
To resume hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

Judiciary
To hold hearings to examine federal antitrust policy in the healthcare marketplace.
SD–226

Labor and Human Resources
To hold hearings to examine women's health issues.
SD–430

2:00 p.m.
Judiciary
To hold hearings on pending judicial nominations.
SD–226

2:30 p.m.
Appropriations
Business meeting, to mark up proposed legislation making appropriations for the Department of the Interior and related agencies, and the Departments of Labor, Health and Human Services, and Education for the fiscal year ending September 30, 1998.
Room to be announced

JULY 23

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Catherine E. Woteki, of the District of Columbia, to be Under Secretary of Agriculture for Food Safety, and Shirley Robinson Watkins, of Arkansas, to be Under Secretary of Agriculture for Food, Nutrition, and Consumer Services.
SR–332

Veterans' Affairs
To hold hearings on pending legislation.
SR–418

9:30 a.m.
Energy and Natural Resources
To hold hearings to examine natural gas issues, focusing on the world energy supply and demand to the year 2015, the role of government in large scale gas projects in foreign countries, and emerging technologies in gas field development that are making natural gas more economical to market.
SD–366

Labor and Human Resources
Business meeting, to mark up S. 1020, proposed Arts and Humanities Amendments of 1997, proposed National Science Foundation Authorization of 1997, proposed Workforce Improvement Partnership Act, and to consider pending nominations.
SD–430

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1998 for the government of the District of Columbia, focusing on the Departments of Health, Human Services, and Public Works.
SD–192

Governmental Affairs
To continue hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

Judiciary
To hold hearings on proposed legislation to authorize funds for the Office of National Drug Control Policy.
SD–226

2:00 p.m.
Judiciary
To resume hearings to review the FBI crime laboratory.
SD–226

JULY 24

10:00 a.m.
Governmental Affairs
To continue hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for programs of the Higher Education Act, focusing on title IV.
SD–430

2:00 p.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold hearings to review the process by which the National Park Service determines the suitability and feasibility of new areas to be added to the National Park System, and to examine the criteria used to determine national significance.
SD–366

Judiciary
Antitrust, Business Rights, and Competition Subcommittee
To hold hearings to examine proposals on defense consolidation and its antitrust implications.
SD–226

Labor and Human Resources
Public Health and Safety Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Institutes of Health, Department of Health and Human Services.
SD–430

JULY 28

1:00 p.m.
Special on Aging
To hold hearings to examine the amount of fraud in the home health care system and ways to identify and deter fraud, waste and abuse in health care.
SD–562

2:00 p.m.
Judiciary
Technology, Terrorism, and Government Information Subcommittee
To hold hearings to examine gambling on the Internet.
SD–226

JULY 29

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the effect of the Federal Agriculture Improvement and Reform Act (P.L. 104-127) on price and income volatility, and the properrole of the Federal government to manage volatility and protect the integrity of agricultural markets.
SR–332

9:30 a.m.
Energy and Natural Resources
To hold hearings on S. 967, to amend the Alaska Native Claims Settlement Act and the Alaska National Interest Lands Conservation Act to benefit Alaska natives and rural residents, and S. 1015, to provide for the exchange of lands within Admiralty Island National Monument.
SD–366

10:00 a.m.
Governmental Affairs
To resume hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

2:30 p.m.
Commerce, Science, and Transportation
To hold hearings on S. 268, to regulate flights over national parks.
SR–253

JULY 30

9:30 a.m.
Indian Affairs
Business meeting, to mark up S. 569, to amend the Indian Child Welfare Act of 1978 to provide for retention by an Indian tribe of exclusive jurisdiction over child custody proceedings involing Indian children and other related requirements; to be followed by an oversight hearing on the Bureau of Indian Affairs Special Trustee's strategic plan to reform the management of Indian trust funds.
SD–106

10:00 a.m.
Governmental Affairs
To resume hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

2:00 p.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold hearings to review the management and operations of concession programs within the National Park System.
SD–366

JULY 31

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine how trade opportunities and international agricultural research can stimulate economic growth in Africa, thereby enhancing African food security and increasing U.S. exports.
SR–332

10:00 a.m.
Governmental Affairs
To continue hearings to examine certain matters with regard to the committee's special investigation on campaign financing.
SH–216

Daily Digest

HIGHLIGHTS

Senate passed Energy and Water Appropriations, 1998, and Legislative Branch Appropriations, 1998.

House passed H.R. 2158, VA, HUD, and Independent Agencies Appropriations Act for FY 1998.

House Committees ordered reported 13 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S7511–S7621

Measures Introduced: Five bills and one resolution were introduced, as follows: S. 1021–1025 and S. Res. 108. **Page S7621**

Measures Reported: Reports were made as follows:

S. 1022, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998. (S. Rept. No. 105–48)

S. 1023, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes. (S. Rept. No. 105–49) **Page S7621**

Measures Passed:

Energy and Water Appropriations: By a unanimous vote of 99 yeas (Vote No. 179), Senate passed S. 1004, making appropriations for energy and water development for the fiscal year ending September 30, 1998, as amended. **Pages S7537–44**

A unanimous-consent agreement was reached providing that S. 1004 remain at the desk pending receipt of the House companion measure, and when the House companion measure is passed, pursuant to the order of July 15, 1997, the passage of S. 1004 be vitiated, and that S. 1004 be indefinitely postponed. **Page S7532**

Legislative Branch Appropriations: Senate passed S. 1019, making appropriations for the legislative branch for the fiscal year ending September 30, 1998, after agreeing to the following amendment proposed thereto: **Pages S7593–S7602**

Bennett/Bingaman Amendment No. 920, to provide funds for a pilot program of studies of scientific and technological issues to assist the Congress in anticipating, understanding and considering such issues in the course of determining public policy on existing and emerging national problems. **Pages S7593–94**

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, all after the enacting clause be stricken and the text of S. 1019, as passed by the Senate, be inserted in lieu thereof, that the bill be passed, the Senate insist on its amendment, the Chair be authorized to appoint conferees on the part of the Senate, that S. 1019 remain at the desk pending receipt of the House companion measure, and when the House companion measure is passed, the passage of S. 1019 be vitiated, and that S. 1019 be indefinitely postponed. **Pages S7601–02**

Foreign Operations Appropriations: Senate began consideration of S. 995, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1998, taking action on amendments proposed thereto, as follows: **Pages S7515–37, S7544–93**

Adopted:

McConnell/Leahy Amendment No. 876, to improve the performance of enterprise funds. **Pages S7515–16**

McConnell (for Leahy/McConnell) Amendment No. 877, to establish authority for development credit. **Pages S7515–16**

McConnell (for Leahy/McConnell) Amendment No. 878, to provide further assistance for the cost of direct loans and loan guarantees of the Micro and Small Enterprise Development Program. **Pages S7515–16**

McConnell (for Leahy/McConnell) Amendment No. 879, to establish limitations on the transfer of military equipment to East Timor. **Pages S7515–16**

McConnell/Leahy Amendment No. 880, to establish requirements relating to stockpiling of defense articles for foreign countries. **Pages S7515–16**

McConnell/Leahy Amendment No. 881, relating to the Foreign Military Financing Program. **Pages S7515–16**

McConnell/Leahy Amendment No. 882, to require a report prior to March 31, 1998 that Ukraine has met certain conditions. **Pages S7515–16**

McConnell (for Leahy/Biden) Amendment No. 883, to require the withholding of assistance to any country granting sanctuary to any person indicted by the International Criminal Tribunal for Rwanda. **Pages S7515–16**

Brownback Modified Amendment No. 884, to provide for certain activities regarding the promotion of respect for religious freedom and human rights in countries such as the Peoples Republic of China. **Page S7545**

McConnell Amendment No. 885, to provide bilateral economic assistance to Egypt. **Pages S7518, S7523–26**

By a unanimous vote of 99 yeas (Vote No. 180), McConnell/Leahy Modified Amendment No. 886, to restrict aid to Cambodia. **Pages S7518, S7576–77**

McConnell/Leahy Modified Amendment No. 887, to restrict aid to Cambodia. **Pages S7518, S7576–77**

Gorton Amendment No. 893, to express the sense of the Senate regarding the eligibility for NATO membership of Estonia, Latvia, and Lithuania. **Pages S7522–23**

By 95 yeas to 4 nays (Vote No. 178), Smith (of Oregon)/Nickles Amendment No. 889 (to Amendment No. 888), in the nature of a substitute. **Pages S7519–22, S7526–27, S7536**

Smith (of Oregon) Amendment No. 888, to prohibit foreign assistance to the Government of Russia should it enact laws which would discriminate against minority religious faiths in the Russian Federation, as amended. **Pages S7518–22, S7537, S7544**

Brownback Modified Amendment No. 892, to express the sense of the Senate regarding the targeting of assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia. **Pages S7536, S7544–45**

Murkowski Modified Amendment No. 894, to provide conditions for funding North Korea's implementation of the nuclear framework agreement. **Pages S7527–34, S7544**

Boxer Amendment No. 897, to provide funds for the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) in Zimbabwe. **Pages S7546–47**

Harkin Amendment No. 899, to express the sense of the Congress towards promoting United States trade and development to and with Pakistan. **Pages S7550–58**

Gorton/Feinstein Amendment No. 902, to express the sense of the Senate on the European Commission's handling of the Boeing and McDonnell Douglas merger. **Pages S7579–80**

Specter Amendment No. 898, to prohibit the use of funds to the Palestinian Authority unless certain conditions are satisfied. **Pages S7580–81**

DeWine Amendment No. 903, to limit assistance to Haiti unless certain conditions are satisfied. **Pages S7581–83**

McConnell (for Kyl) Amendment No. 904, to allocate funds for legal restructuring in Ukraine necessary to support a decentralized market-oriented economic system. **Pages S7586–93**

McConnell (for Kyl) Amendment No. 905, to prohibit assistance to Russia unless Russia terminates activities relating to ballistic missile or nuclear programs in Iran. **Pages S7586–93**

McConnell (for Baucus) Amendment No. 906, to permit funds made available to the United States-Asia Environmental Partnership to be used for activities for the People's Republic of China. **Pages S7586–93**

McConnell (for Enzi) Amendment No. 907, to ensure Congressional notification of the costs to the Federal Government of all federal programs associated with the proposed agreement to reduce greenhouse gas emissions pursuant to the Framework Convention on Climate Change. **Pages S7586–93**

McConnell (for Hagel) Amendment No. 908, to amend the Foreign Assistance Act of 1961 with respect to the authority of the Overseas Private Investment Corporation to issue insurance and extend financing. **Pages S7586–93**

McConnell (for Lautenberg) Amendment No. 909, to withhold assistance to countries that are violating United Nations sanctions against Libya. **Pages S7586–93**

McConnell (for Leahy) Amendment No. 910, to establish prosecution procedures for war crimes. **Pages S7586–93**

McConnell (for Domenici) Amendment No. 911, to allocate funds for a Western Hemisphere International Law Enforcement Academy. **Pages S7586–93**

McConnell (for Dodd) Amendment No. 912, to provide for the reform and annual review of United States sponsored training programs of Latin American military personnel at the School of the Americas and elsewhere to ensure that training is consistent with respect for human rights and civil control over the military. **Pages S7586–93**

McConnell (for Torricelli) Amendment No. 913, to recommend that the Liberation Tigers of Tamil Eelam be placed on the list of terrorist organizations by the Department of State. **Pages S7586–93**

McConnell (for Durbin) Amendment No. 914, to limit international military education and training assistance for Peru. **Pages S7586–93**

McConnell (for Leahy) Amendment No. 915, to provide for an authorization requirement for international financial institutions. **Pages S7586–93**

McConnell (for D'Amato) Amendment No. 916, to make an amendment with respect to Congressional review of new arrangements for borrowing by the International Monetary Fund. **Pages S7586–93**

McConnell (for Leahy) Amendment No. 917, of a perfecting nature. **Pages S7586–93**

McConnell (for Faircloth) Amendment No. 918, to limit aid to the Government of Congo until a Presidential certification. **Pages S7586–93**

McConnell (for Lott) Amendment No. 919, to make available certain funds for the purpose of facilitating the integration of Poland, Hungary, and the Czech Republic into the North Atlantic Treaty Organization. **Pages S7586–93**

Rejected:

By 35 yeas to 64 nays (Vote No. 181), Allard Amendment No. 891, to decrease the amount of funds available to OPIC for administrative expenses to carry out the credit and insurance programs. **Pages S7547–49, S7577–78**

By 38 yeas to 60 nays (Vote No. 182), Dodd Amendment No. 901 (to Amendment No. 900), of a perfecting nature. **Pages S7562–76, S7578–79**

Pending:

Bingaman Amendment No. 896, to provide for Cuban-American family humanitarian support and compassionate travel. **Pages S7535–36**

Hutchinson Amendment No. 890, to express the sense of the Senate that Most Favored Nations trade status for China should be revoked. **Pages S7558–62**

Withdrawn:

Bingaman Amendment No. 895, to restore to U.S. citizens and residents the right of travel to Cuba. **Pages S7534–35**

Dodd Amendment No. 900, to suspend temporarily the certification procedures under section 490(b) of the Foreign Assistance Act of 1961 in order to foster greater multilateral cooperation in international counternarcotics programs. **Pages S7562–76, S7579**

A unanimous-consent agreement was reached providing for further consideration of the bill and the amendments pending thereto, on Thursday, July 17, 1997, with votes to occur thereon. **Page S7579**

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, all after the enacting clause be stricken and the text of S. 955, as passed by the Senate, be inserted in lieu thereof, that the bill be passed, the Senate insist on its amendment, and the Chair be authorized to appoint conferees on the part of the Senate. **Page S7579**

A further consent agreement was reached providing that, upon passage, S. 955 remain at the desk pending receipt of the House companion measure, and when the House companion measure is passed, the passage of S. 955 be vitiated, and that S. 955 be indefinitely postponed. **Page S7593**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report of an agreement between the U.S. and the People's Republic of China; which was referred jointly, pursuant to 16 U.S.C. 1823(b), to the Committee on Commerce, Science, and Transportation, and to the Committee on Foreign Relations. (PM–53). **Page S7602**

Nominations Received: Senate received the following nominations:

Richard Conway Casey, of New York, to be United States District Judge for the Southern District of New York.

Ronald Lee Gilman, of Tennessee, to be United States Circuit Judge for the Sixth Circuit. **Page S7621**

Messages From the President: **Page S7602**

Messages From the House: **Page S7602**

Measures Referred: **Page S7602**

Communications: **Pages S7602–03**

Petitions: **Page S7603**

Statements on Introduced Bills: **Pages S7603–08**

Additional Cosponsors: **Pages S7608–09**

Amendments Submitted: **Pages S7609–15**

Authority for Committees: **Page S7615**

Additional Statements: **Pages S7615–20**

Record Votes: Five record votes were taken today. (Total—182) **Pages S7536, S7539, S7577–79**

Adjournment: Senate convened at 10 a.m., and adjourned at 8:21 p.m., until 9:30 a.m., on Thursday, July 17, 1997. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S7621.)

Committee Meetings

(Committees not listed did not meet)

AGRICULTURAL ENERGY RESEARCH AND DEVELOPMENT

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings to examine the importance of alternative fuels in addressing future national security concerns, focusing on agriculture's vulnerability to energy price volatility, the contribution of home-grown renewable alternative fuels, and the role of new technologies in making agriculture more energy efficient while increasing yields, after receiving testimony from Roger K. Conway, Director, Office of Energy and New Uses, Economic Research Service, Department of Agriculture; Joseph J. Romm, Acting Assistant Secretary, Office of Energy Efficiency and Renewable Energy, Department of Energy; Henry C. Kelly, Acting Associate Director for Technology, Office of Science and Technology Policy; and John B. Campbell, Ag Processing Inc., Omaha, Nebraska.

Also, committee received a briefing on the international energy security situation from officials of the Central Intelligence Agency.

APPROPRIATIONS—DISTRICT OF COLUMBIA

Committee on Appropriations: Subcommittee on the District of Columbia resumed hearing on proposed budget estimates for fiscal year 1998 for the government of the District of Columbia, receiving testimony in behalf of funds for their respective activities from Margaret A. Moore, Director, Department of Corrections, and Larry D. Soulsby, Chief of Police, Metropolitan Police Department, both of the District of Columbia.

Subcommittee will meet again on Wednesday, July 23.

NOMINATION

Committee on Environment and Public Works: Committee concluded hearings on the nomination of Jamie Rappaport Clark, of Maryland, to be Director of the United States Fish and Wildlife Service, Department of the Interior, after the nominee testified and answered questions in her own behalf.

DRUG VIOLENCE

Committee on Foreign Relations: Subcommittee on Western Hemisphere, Peace Corps, Narcotics and Terrorism concluded hearings to examine new drug smuggling methods and the number and violence of certain incidents involving drug cartels targeting United States officials in retaliation for U.S. counterdrug efforts, after receiving testimony from Richard Hoglund, Deputy Assistant Commissioner, Office of Investigations, United States Customs Service, Department of the Treasury; Michael T. Horn, Chief of International Operations, Drug Enforcement Administration, Department of Justice; Cochise County Sheriff Larry A. Dever, Bisbee, Arizona; Samuel C. Scott, Fontana Police Department, Fontana, California; and a certain protected witness.

CAMPAIGN FINANCING INVESTIGATION

Committee on Governmental Affairs: Committee resumed hearings, in open and closed sessions, to examine certain matters with regard to the committee's special investigation on campaign financing, receiving testimony from Paul A. Buskirk, Acting Director, Office of Security, Robert P. Gallagher, Director, Office of Intelligence Liaison, and Jeffrey Garten, former Under Secretary for International Trade, all of the Department of Commerce; Gary A. Christopherson, former Associate Director of White House Personnel; William H. McNair, Information Officer/Director of Operations, Central Intelligence Agency; and John H. Dickerson, a protected witness.

Hearings continue tomorrow.

GLOBAL TOBACCO SETTLEMENT

Committee on the Judiciary: Committee held hearings to examine the terms and parameters of the proposed Global Tobacco Settlement which will mandate a total reformation and restructuring of how tobacco products are manufactured, marketed and distributed in America, focusing on its long-term impact on children and the public health, and its legal and constitutional ramifications, receiving testimony from Connecticut Attorney General Richard Blumenthal, Hartford; Minnesota Attorney General Hubert H. Humphrey III, St. Paul; Colorado Attorney General Gale A. Norton, Denver; Richard F. Scruggs, Scruggs, Millette, Lawson, Bozeman & Dent, Pascagoula, Mississippi; Stanley M. Chesley, Waite, Schneider, Bayless & Chesley, Cincinnati, Ohio; Laurence H. Tribe, Harvard University Law School, Cambridge, Massachusetts; and Robert A. Levy, Cato Institute, Washington, D.C.

Hearings were recessed subject to call.

TELEVISION IMPROVEMENT ACT

Committee on the Judiciary: Subcommittee on Antitrust, Business Rights, and Competition concluded hearings on S. 539, to exempt agreements relating to voluntary guidelines governing telecast material from the applicability of the antitrust laws, after receiving testimony from Senators Lieberman and Brownback; Reed E. Hundt, Chairman, Federal Communications Commission; Maryland Attorney General J. Joseph Curran, Jr., Baltimore; and Cass

R. Sunstein, University of Chicago Law School, Chicago, Illinois.

House of Representatives

Chamber Action

Bills Introduced: 10 public bills, H.R. 2170–2179 were introduced. **Pages H5400–01**

Reports Filed: Reports were filed today as follows:

Report on the Revised Subdivision of Budget Totals for Fiscal Year 1998 (H. Rept. 105–185);

H.R. 1362, to establish a demonstration project to provide for Medicare reimbursement for health care services provided to certain Medicare-eligible veterans in selected facilities of Department of Veterans Affairs, amended (H. Rept. 105–186 Part I);

H. Res. 187, providing for consideration of H.R. 1853, to amend the Carl D. Perkins Vocational and Applied Technology Education Act (H. Rept. 105–187); and

H.R. 2169, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998 (H. Rept. 105–188). **Page H5400**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative LaHood to act as Speaker pro tempore for today. **Page H5303**

Guest Chaplain: The prayer was offered by the guest Chaplain, the Rev. Joe Clark of Annandale, Virginia. **Page H5303**

Presidential Message—Fisheries Agreement: Read a message from the President wherein he transmits his agreement between the United States and the People's Republic of China concerning fisheries off the coasts of the United States—referred to the Committee on Resources and ordered printed (H. Doc. 105–106). **Page H5309**

VA, HUD, and Independent Agencies Appropriations Act: By a yea and nay vote of 397 yeas to 31 nays, Roll No. 280, the House passed H.R. 2158, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for making appropriations for the Departments of Veterans Affairs and Housing and Urban Development for the fiscal year ending September 30, 1998. The House completed debate and considered amendments on Tuesday, July 15. **Pages H5309–71**

By a yea-and-nay vote of 193 yeas to 235 nays, Roll No. 279, rejected the Kennedy of Massachusetts motion to recommit the bill to the Committee on Appropriations with instructions to report it back to the House forthwith with amendments that increase the funding for Public Housing Agency Grants, Economic Development Grants, Youthbuild Program Activities, and Homeless Assistance Grants. **Pages H5369–70**

Agreed To:

The Lewis of California en bloc amendment that increases funding for National Cemetery construction by $5.5 million and decreases Grants for Construction of State Extended Care Facilities funding accordingly; **Pages H5309–10**

The Solomon amendment that, upon enactment of legislation establishing the Medical Collection Fund, provides assurances of an additional $579 million for veteran medical care if third party receipts fall short, and reduces EPA Science and Technology Funding by $27 million to fund these assurances; **Pages H5310–18**

The Lewis of California amendment that decreases National Science Foundation research funding by $174,000; **Pages H5322–36**

The Obey amendment that increases veteran medical care funding by $48 million and decreases Emergency Management Planning and Assistance funding for a windstorm simulation center by $60 million (agreed to by a recorded vote of 322 ayes to 110 noes, Roll No. 276); **Pages H5339–40**

The Stokes amendment that strikes language earmarking $60 million of Emergency Management Planning and Assistance funding for a windstorm simulation center (agreed to by a recorded vote of 244 ayes to 187 noes, Roll No. 277); **Pages H5318–19, H5340**

The Bentsen amendment that prohibits any funding to be used for the import of PCB's and PCB items into the United States; and **Pages H5343–45**

The Solomon amendment that prohibits the use of funds for grants or contracts to any institution of higher learning that bars ROTC or military recruiters access to the general student population. **Page H5345**

Rejected: The Sensenbrenner amendment that sought to reduce Human Space Flight funding by $100 million (rejected by a recorded vote of 200 ayes to 227 noes, Roll No. 278).

Pages H5319–22, H5340–41

Points of Order Sustained Against:

Section 420 of the bill, that sought to make funding available for conservation and management plans notwithstanding section 320(g) of the Federal Water Pollution Control Act; **Page H5343**

The Vento amendment that sought to increase FEMA Emergency Food and Shelter Program funding by $30.1 million and reduce the NASA Human Space Flight program by $43 million; and

Pages H5345–47

The Hefley amendment that sought to increase EPA Leaking Underground Storage Tank program funding by $11.2 million and decrease HUD Management and Administration Salaries and Expenses funding by $31 million. **Pages H5362–63**

Withdrawn:

The Wise amendment was offered but subsequently withdrawn that sought to provide $3 million for expenses of the Chemical Safety and Hazard Investigation Board with the funding for it to be derived from the EPA Environmental Programs and Management account; and **Pages H5336–39**

The Foley amendment was offered but subsequently withdrawn that sought to reduce the Community Development Financial Institutions Fund Program Account by $75 million. **Pages H5347–62**

The House agreed to H. Res. 184, the rule that provided for consideration of the bill on July 15.

Pages H5247–51

Agriculture Appropriations: The House completed general debate on H.R. 2160, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998. Consideration of amendments will begin on Thursday, July 17. **Pages H5372–82**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H5401–05.

Quorum Calls—Votes: Two yea-and-nay votes and three recorded votes developed during the proceedings of the House today and appear on pages H5339–40, H5340, H5341, H5370, and H5370–71. There were no quorum calls.

Adjournment: Met at 11:00 a.m. and adjourned at 11:45 p.m.

Committee Meetings

DISTRICT OF COLUMBIA BUDGET

Committee on Appropriations: Subcommittee on the District of Columbia held a hearing on the Fiscal Year 1998 D.C. Budget. Testimony was heard from the following officials of the District of Columbia: Marion Barry, Mayor; and Linda Cropp, Acting Chairman, Council; and Andrew F. Brimmer, Chairman, Financial Responsibility and Management Assistance Authority.

GOVERNMENT SPONSORED ENTERPRISES

Committee on Banking and Financial Services: Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises and the Subcommittee on Government Management, Information and Technology of the Committee on Government Reform and Oversight held a joint oversight hearing on Government Sponsored Enterprises. Testimony was heard from Jim Bothwell, Chief Economist, GAO; Thomas Woodward, Economist, Congressional Research Service, Library of Congress; and public witnesses.

NATIONAL SALVAGE MOTOR VEHICLE CONSUMER PROTECTION ACT

Committee on Commerce: Subcommittee on Telecommunications, Trade, and Consumer Protection approved for full Committee action amended H.R. 1839, National Salvage Motor Vehicle Consumer Protection Act of 1997.

OLDER AMERICANS ACT AUTHORIZATION

Committee on Education and the Workforce: Subcommittee on Early Childhood, Youth and Families continued hearings on the Authorization of the Older Americans Act. Testimony was heard from public witnesses.

ERGONOMICS: A QUESTION OF FEASIBILITY

Committee on Education and the Workforce: Subcommittee on Oversight and Investigations held a hearing on Ergonomics: A Question of Feasibility. Testimony was heard from public witnesses.

DEMOCRATIC REPUBLIC OF CONGO

Committee on International Relations: Held a hearing on the Democratic Republic of Congo: Problems and Prospects. Testimony was heard from Thomas Pickering, Under Secretary, Political Affairs, Department of State; J. Brian Atwood, Administrator, AID, U.S.

International Development Cooperation Agency; and public witnesses.

CAMBODIA—BREAKDOWN OF DEMOCRACY

Committee on International Relations: Subcommittee on Asia and the Pacific held a hearing on Familiar Ground: The Breakdown of Democracy in Cambodia and Implications for U.S. Foreign Policy. Testimony was heard from Aurelia Brazeal, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, Department of State; and public witnesses.

JOBS AND EXPORTS RENEWAL ACT

Committee on International Relations: Subcommittee on International Economic Policy and Trade approved for full Committee amended H.R. 2064, Jobs and Exports Renewal Act of 1997.

ANTI-DRUG EFFORT IN THE AMERICAS

Committee on International Relations: Subcommittee on the Western Hemisphere held a hearing on the Anti-Drug Effort in the Americas: A Mid-Term Report. Testimony was heard from Representative Hastert; Jane Becker, Principal Deputy Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, Department of State; Rear Adm. Walter Doran, USN, Deputy Commander In-Chief, U.S. Southern Command, Department of Defense; and James Milford, Deputy Administrator, DEA, Department of Justice.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported the following bills: H.R. 764, Bankruptcy Amendments of 1997; H.R. 1596, Bankruptcy Judgeship Act of 1997; and H.R. 1953, to clarify State authority to tax compensation paid to certain employees.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Crime approved for full Committee action the following: H.R. 424, amended, to provide for increased mandatory minimum sentences for criminals possessing firearms; and the Witness Protection and Interstate Relocation Act of 1997.

THREATS POSED BY ELECTROMAGNETIC PULSE TO U.S. MILITARY SYSTEMS

Committee on National Security: Subcommittee on Military Research and Development held a hearing on threats posed by electromagnetic pulse to U.S. Military systems and civilian infrastructure. Testimony was heard from the following officials of the Department of Defense: George W. Ullrich, Deputy Director, Defense Special Weapons Agency; and Gilbert I. Klinger, Acting Deputy Under Secretary (Space); Gen. Robert T. Marsh, USAF (Ret.), Chairman, President's Commission on Critical Infrastructure Protection; and Lowell Wood, Lawrence Livermore Laboratory; and a public witness.

MISCELLANEOUS MEASURES

Committee on Resources: Ordered reported the following bills: H.R. 700, amended, to remove the restriction on the distribution of certain revenues from the Mineral Springs parcel to certain members of the Agua Caliente Band of Cahuilla Indians; H.R. 799, to require the Secretary of Agriculture to make a minor adjustment in the exterior boundary of the Hells Canyon Wilderness in the States of Oregon and Idaho to exclude an established Forest Service road inadvertently included in the wilderness; H.R. 838, to require adoption of a management plan for the Hells Canyon National Recreation Area that allows appropriate use of motorized and nonmotorized river craft in the recreation area; H.R. 948, Burt Lake Band of Ottawa and Chippewa Indians Act; H.R. 976, amended, Mississippi Sioux Tribes Judgment Fund Distribution Act of 1997; H.R. 1460, amended, to allow for election of the Delegate from Guam by other than separate ballot; H.R. 1604, amended, to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission; H.R. 1663, amended, to clarify the intent of the Congress in Public Law 93–632 to require the Secretary of Agriculture to continue to provide for the maintenance of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated as wilderness in that Public Law; H.R. 1944, Warner Canyon Ski Hill Land Exchange Act of 1997; and H.R. 1855, amended, to establish a moratorium on large fishing vessels in Atlantic herring and mackerel fisheries.

The Committee also approved a resolution authorizing the Chairman to issue a subpoena concerning the matter of the committee review of hardrock bonding mining regulations.

CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 1853, Carl D. Perkins Vocational-Technical Education Act Amendments of 1997. The rule waives clause 2(I)(6) of rule XI (relating to the 3-day availability of the report) against consideration of the bill. The rule makes in order the Committee on Education and the Workforce amendment in the nature of a substitute as an original bill for purpose of amendment, shall

be open to amendment at any point, and each section shall be considered as read. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. Finally, the rule provides one motion to recommit, with or without instructions. Testimony was heard from Chairman Goodling; and Representatives Morella, Clay, Martinez and Mink of Hawaii.

CREDIT SUBSIDY RATES

Committee on Small Business: Held a hearing on credit subsidy rates for the Section 7(a) general business loan program and the Section 504 Certified Development Company program. Testimony was heard from Edward DeSeve, Acting Deputy Director, OMB; Aida Alvarez, Administrator, SBA; Judy England-Joseph, Director, Housing and Community Development Issues, GAO; and a public witness.

COAST GUARD AUTHORIZATION ACT

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation approved for full Committee action the Coast Guard Authorization Act of 1997.

VETERAN'S LEGISLATION

Committee on Veterans' Affairs: Subcommittee on Benefits held a hearing on pending proposals in the areas of education, training and employment. Testimony was heard from former Representative G.V. Montgomery of Mississippi; Al Borrego, Acting Assistant Secretary, Veterans Employment and Training, Department of Labor; Celia Dollarhide, Director, Education Service, Department of Veterans Affairs; and representatives of various veterans organizations.

COMMITTEE MEETINGS FOR THURSDAY, JULY 17, 1997

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry, Subcommittee on Forestry, Conservation, and Rural Revitalization, to hold hearings on the implementation of the Northern Forestry Stewardship Act, 2:30 p.m., SR–332.

Committee on Appropriations, Subcommittee on Transportation, to hold hearings on proposed budget estimates for fiscal year 1998 for Amtrak, focusing on the calculation of excess railroad retirement payments, 10 a.m., SD–124.

Full Committee, business meeting, to markup proposed legislation making appropriations for fiscal year 1998 for the Department of Agriculture, rural development, and related agencies, proposed legislation making appropriations for fiscal year 1998 for military construction programs, and proposed legislation making appropriations for fiscal year 1998 for the Departments of Veterans Affairs and Housing and Urban Development and related agencies, 3:30 p.m., SD–106.

Committee on Armed Services, to hold hearings on the nomination of Rudy deLeon, of California, to be Under Secretary of Defense for Personnel and Readiness, 9:30 a.m., SR–222.

Committee on Banking, Housing, and Urban Affairs, Subcommittee on International Finance, to hold hearings on proposed legislation authorizing funds for the Export-Import Bank of the United States, 9:30 a.m., SD–538.

Subcommittee on Financial Institutions and Regulatory Relief, to hold oversight hearings on the implementation of the HUD Rebuilding and Loan Guaranty Program for financial institutions, 2 p.m., SD–538.

Committee on Commerce, Science, and Transportation, to hold hearings on S. 625, to provide for competition between forms of motor vehicle insurance, to permit an owner of a motor vehicle to choose the most appropriate form of insurance for that person, to guarantee affordable premiums, and to provide for more adequate and timely compensation for accident victims, 9:30 a.m., SR–253.

Committee on Energy and Natural Resources, to hold hearings on the nominations of Patrick A. Shea, of Utah, to be Director of the Bureau of Land Management, and Robert G. Stanton, of Virginia, to be Director of the National Park Service, both of the Department of the Interior, Kneeland C. Youngblood, of Texas, to be a Member of the Board of Directors of the United States Enrichment Corporation, and Kathleen M. Karpan, of Wyoming, to be Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior, 9:30 a.m., SD–366.

Subcommittee on National Parks, Historic Preservation, and Recreation, to hold hearings on S. 895, to designate the reservoir created by Trinity Dam in the Central Valley project, California, as ''Trinity Lake'', S. 931, to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center, and S. 871, to establish the Oklahoma City National Memorial as a unit of the National Park System and to designate the Oklahoma City Memorial Trust, 2 p.m., SD–366.

Committee on Environment and Public Works, to resume hearings to examine issues relating to climate change, 10 a.m., SD–406.

Committee on Foreign Relations, business meeting, to mark up S. Res. 98, expressing the sense of the Senate regarding the conditions for the United States becoming a signatory to any international agreement on greenhouse gas emissions under the United National Framework Convention on Climate Change, a proposed concurrent resolution expressing the sense of the Congress that the OAS-CIAV Mission in Nicaragua is to be congratulated for its defense of human rights, promotion of peaceful conflict resolution, and contribution to the development of freedom and democracy in Nicaragua, and to consider the Agreement with Hong Kong for the Surrender of Fugitive Offenders (Treaty Doc. 105–3), and pending nominations, 10 a.m., SD–419.

Subcommittee on European Affairs, to hold hearings to examine the status of Bosnia non-compliance with the Dayton Accords, 2 p.m., SD–419.

Committee on Governmental Affairs, to continue hearings to examine certain matters with regard to the committee's special investigation on campaign financing, 10 a.m., SH–216.

Committee on the Judiciary, business meeting, to resume markup of S. 10, to reduce violent juvenile crime, promote accountability by juvenile criminals, and punish and deter violent gang crime, 10 a.m., SD–226.

Subcommittee on Immigration, to hold hearings on proposals to extend the Visa Waiver Pilot Program, including S. 290, to establish a visa waiver pilot program for nationals of Korea who are traveling in tour groups to the United States, 3 p.m., SD–226.

Committee on Labor and Human Resources, to hold hearings to examine the quality of child care, 2 p.m., SD–430.

NOTICE

For a listing of Senate committee meetings scheduled ahead, see pages E1442–43 in today's Record.

House

Committee on Agriculture, hearing to review the USDA's Civil Rights Action Team Report, 2 p.m., 1300 Longworth.

Committee on Appropriations, to mark up the following appropriations for fiscal year 1998: Energy and Water Development; and Legislative Branch, 9 a.m., 2360 Rayburn.

Subcommittee on the District of Columbia, on Congressional and Public Witnesses, 11 a.m., H–144 Capitol.

Committee on Commerce, Subcommittee on Finance and Hazardous Materials, hearing on H.R. 10, Financial Services Competitiveness Act of 1997, 10 a.m., 2123 Rayburn.

Committee on Education and the Workforce, Subcommittee on Postsecondary Education, Training and Life-Long Learning, to continue hearings on H.R. 6, Higher Education Act of 1997, 9:30 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on National Security, International Affairs, and Criminal Justice, to continue hearings on National Drug Control Policy: Drug Interdiction Efforts in Florida and the Caribbean, 1 p.m., 2154 Rayburn.

Committee on International Relations, hearing on Inspector General's Oversight of the Department of State and Agency for International Development, 10 a.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Commercial and Administrative Law, hearing on H.R. 1054, Internet Tax Freedom Act, 10 a.m., 2237 Rayburn.

Subcommittee on the Constitution, oversight hearing on the U.S. Commission on Civil Rights, 10 a.m., 2226 Rayburn.

Subcommittee on Courts and Intellectual Property, oversight hearing on Fairness in Music Licensing, 9 a.m., 2141 Rayburn.

Committee on National Security, hearing on NATO expansion, 9:30 a.m., 2118 Rayburn.

Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife & Oceans, oversight hearing to review the final outcome of the Tenth Meeting of the Conference of the Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), 10 a.m., 1334 Longworth.

Subcommittee on Water and Power, oversight hearing on Government Performance and Results Act status—Bureau of Reclamation, USGS, Water Resources and the Power Marketing Administration, 2 p.m., 1324 Longworth.

Committee on Rules, to consider making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, 2:30 p.m., H–313 Capitol.

Committee on Transportation and Infrastructure, Subcommittee on Public Buildings and Economic Development, to continue hearings on the Reauthorization of the Economic Development Administration and the Appalachian Regional Commission, 9 a.m., 2253 Rayburn.

Subcommittee on Surface Transportation, hearing on Road Rage: Causes and Dangers of Aggressive Driving, 9:30 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, Subcommittee on Oversight and Investigations, hearing on sexual harassment issues involving senior career managers within the Department of Veterans Affairs and H.R. 1703, the Department of Veterans Affairs Employment Discrimination Prevention Act, 9:30 a.m., 334 Cannon.

Committee on Ways and Means, Subcommittee on Health, hearing on the Inspector General Audit of Health Care Financing Administration's Financial Statements, 11 a.m., 1100 Longworth.

Next Meeting of the SENATE

9:30 a.m., Thursday, July 17

Senate Chamber

Program for Thursday: Senate will continue consideration of S. 955, Foreign Operations Appropriations, with votes to occur thereon. Senate may also consider S. 1023, Treasury/Postal Service Appropriations, 1998.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, July 17

House Chamber

Program for Thursday: Continue consideration of H.R. 2160, Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act for Fiscal Year 1998; and

Consideration of H.R. 2159, Foreign Operations, Export Financing and Related Programs Appropriations for Fiscal Year 1998 (modified open rule, 1 hour of debate).

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