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Senate

The Senate met at 9 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:

Blessed God, we are inspired by Daniel Webster's statement that the greatest conviction of his life was his accountability to You. We ponder that. How would we live today if our dominant thought throughout the day were to be our accountability to You. Help us to play our lives to an audience of One, to You, dear God, seeking first and foremost to please You. We've discovered that real freedom comes when we seek to glorify You and not ourselves, when we are more concerned about what You think of us than what others say about us, and when we are guided by Your truth more than the shifting opinions of others. May this be a day to press forward with resoluteness and resiliency. Through our Lord and Savior. Amen.

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MCCAIN. Mr. President, this morning the Senate will be in a period of morning business until 9:20 a.m. Following morning business, the Senate will recess until 11 a.m. to allow the Senate to proceed as a body to the House Chamber for a joint meeting to receive an address by the President of Romania.

When the Senate reconvenes at 11 a.m., under the previous order there will be 3 hours for debate equally divided on a Daschle amendment regarding marketing assistance loans. It is expected that some debate time will be yielded back, and therefore the first rollcall vote of today's session is expected to occur prior to 2 p.m. It is expected that the Senate will work late into the evening, with votes, in an effort to complete action on the agricultural appropriations bill.

As always, the Senate may also turn to the consideration of any other legislative or executive items cleared for action.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business.

Mr. MCCAIN. Mr. President, as under the previous order, I would like to take my 5 minutes.

The PRESIDENT pro tempore. The Senator is recognized.

THANKING THE SENATOR FROM SOUTH CAROLINA

Mr. MCCAIN. Mr. President, first of all, I would like to extend my deep appreciation to the President pro tempore, the Senator from South Carolina, for coming in earlier than the usual hour this morning. I am grateful to him. And I am also very pleased to have the opportunity to be working with the Senator from South Carolina as we move forward on completion of the very important Strom Thurmond defense authorization bill. I am eternally grateful to him for the many kindnesses he has extended to me, now for more years than he and I would like to recount.

INTERNET SCHOOL FILTERING ACT

Mr. MCCAIN. Mr. President, in today's USA Today there is an article which states there is a possibility that on a live site, a web site—and I emphasize ''possibility''; that is being advertised—that two 18-year-olds will have sex live on the Internet on August 4.

It also noted that there is considerable doubt about the validity of this web site and, in fact, the entire site may be a hoax. For the sake of this Nation, I hope it is nothing but a hoax. If it is, it is neither clever nor humorous, and if it is not, then something has to be done, I think, to protect our children from witnessing this event.

Again, I want to emphasize, I hope that this is a hoax and nothing more. But what it does is highlight the problem that exists concerning the proliferation of pornography on the Internet, some of that pornography being child pornography and some of it being the kind of obscenity that the U.S. Supreme Court has stated is beyond constitutional protections.

Mr. President, I ask unanimous consent that the article in this morning's USA Today be printed in the RECORD. It is entitled ''Net to break ground in virgin territory; But many suspect site is hoax.''

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

[From USA Today, July 15, 1998]

NET TO BREAK GROUND IN VIRGIN TERRITORY—BUT MANY SUSPECT SITE IS HOAX

(By Karen Thomas)

Thought a woman giving birth on the Internet was outrageous?

Now a Web site is saying it will broadcast a couple, purported to be 18-year-old virgins named Mike and Diane, having sex for the first time Aug. 4.

But many posting messages on the site were skeptical. ''This page is a money-making hoax,'' wrote one visitor. ''Mike and Diane are 36-year-old porn stars.''

Visitors also noted that the couple, pictured in bathing suits with faces obscured, looked too perfect and well-developed to be average 18-year-olds. Other details sounded like a soap opera script: They haven't told their parents their plans; one father is a minister; the teens are both honor students

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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and ''All-American'' kids; they're both active in school and church. Neither was available to talk to reporters Tuesday.

The idea for the stunt was Diane's, says Oscar Wells, a California Web page designer who says he met Diane in an on-line chat room during the Internet birth last month. ''She thought (the birth) was educational but said if they showed someone making love, it would be considered obscene. She made the offhand remark, 'If I could, I'd lose my virginity on line to make the point.' I said, 'If you're serious, I can facilitate that.'''

The ''Our First Time'' site is hosted by Wisconsin-based The Enchanted Web. Owner Craig Brittan says most of his customers are adult Web sites.

Among those expressing outrage Tuesday was Sen. John McCain, R–Ariz., who called the announcement ''disgraceful . . . garbage.'' He is the sponsor of a bill that would require libraries and schools receiving federal funds to install filtering software on public computers. ''This will provide the impetus to get legislation done.''

Mr. MCCAIN. Mr. President, we are not talking about censorship here. I want to emphasize, I do not support censorship in any form, and we are not talking about that. What we are talking about is legislation that would require schools and libraries to have some kind of filtering device on their computers. Children are not allowed into ''Adult Only'' stores that sell and make available adult material. Children are not allowed to purchase ''Adult Only'' magazines. And our society has decided, in its collective wisdom, that we should let children be children as long as possible and not expose them to certain activities and events.

If individual parents want to make such information available to children, that is their choice. I do not begrudge them that. But children should not be allowed to enter school or a public library and gain access to material that their parents would never allow them to see and that most in society believe is inappropriate for those who are yet to be adults. It is for that reason I urge my colleagues to support and pass soon S. 1619, the Internet School Filtering Act. Senator HOLLINGS, the ranking member of the committee, along with Senators COATS and MURRAY, has joined me in introducing this legislation. I thank them for their support.

A Government program known as the e-rate provides Federal subsidies to schools and libraries so that they can receive discounted Internet access. This legislation would require these institutions benefiting from this program to restrict children's access to harmful Internet content through the use of a filtering device on their computers.

These institutions would be free to choose from a myriad of filtering tools that are now available, and they alone would determine what materials are inappropriate for children based on local community standards.

The Commerce Department recently found that more than 100 million people are now using the Internet and Internet usage is doubling every 100 days. We can expect children to comprise a large portion of these new users as the e-rate and other Government and private programs help make Internet access possible for schools and libraries across the country.

What troubles me is that schools and libraries are availing themselves of enormous Government subsidies to make the Internet more accessible to children, and at the same time they are attempting to undermine our effort to protect our children from harmful on-line material.

From the outset, these groups have opposed the legislation and have argued in favor of an ''acceptable use policy.''

I don't agree that would be an adequate means of protecting children from the thousands of pornographic sites available on the World Wide Web. I believe implementing a use policy alone would be completely ineffective.

Mr. President, we must act now to require the use of filters. We must take immediate steps to prevent the Internet from doing more harm than good by bringing such offensive materials into our Nation's schools and libraries.

Again, I submit for the RECORD material off a web site called ''Our First Time,'' which is entitled, ''Tuesday, August 4, 1998, World and Internet History Will Be Made,'' and it begins, ''Come and meet Diane and Mike, two 18-year-old honor students.''

I ask unanimous consent that this web site material be printed in the RECORD.

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

OUR FIRST TIME

ON TUESDAY, AUGUST 4, 1998 AT 6 P.M. PACIFIC TIME, WORLD AND INTERNET HISTORY WILL BE MADE!

Come and meet Diane and Mike, two 18 year old ''Honor'' students who have recently graduated from high school, and are looking forward to starting college in the fall. They are as close to being ''typical All-American'' kids as you can get. Active in school and church. Well liked by family, friends, and their community—but sexually, they are both virgins. Their lives are going to change in a unique and dramatic way. They are about to leave the safety of youth, accept the challenges of adulthood, and take that frigthening . . . but wonderful, step into adult sexuality. There's one big difference . . . they are going to let the world come along and witness their lives over a 18 day period as this adventure unfolds, when they lose their virginity together. . . .

WHY ARE THEY DOING THIS?

Recently, Diane & Mike witnessed the live birth of a child on the Internet. They then decided to make this point—

''The live birth of a child on the Internet was a beautiful event. We want to show that the act of making love, which is the first step that brought that live birth about, is just as beautiful—and nothing to be ashamed of.''

The ''Our First Time'' website will open on July 18, 1998—and will follow the daily adventures of Diane & Mike for 18 days, as they meet the challenges of making their ''statement of love'' on August 4.

Mr. MCCAIN. Mr. President, I hope this is a hoax. I hope it is not true. If it is true, then I can't tell you how disturbed all of us should be and will be, but it is also indicative that if even a hoax like this, if it is a hoax, should be proposed, it shows there is a significant problem in America today.

Mr. President, I hope we will do something about it. I thank the Chair.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Washington.

Mrs. MURRAY. Mr. President, I come to the floor this morning to join my colleague from Arizona, Senator MCCAIN, in urging the Senate to adopt S. 1619, the child-safe Internet bill.

Since I have been here for the last 6 years, I have worked long and hard to get computers and technology into our schools. I have sponsored legislation to allow surplus Government computers to be put into schools. I have worked hard to have the e-rate established so that many of our schools can be connected to the Internet. I have been out in schools, and I know personally what a great educational tool the technology and Internet system is that we have available today.

I want our students and I want our teachers to have access to this information. But Senator MCCAIN is absolutely correct. There is a small amount of information on the Internet that should not be there to which our young children have unfettered access.

S. 1619, the child-safe Internet bill, simply requires any school or library that uses the e-rate, uses taxpayer money to put technology in, be required to have a filtering device so that inappropriate material is not seen by young children.

The filtering device is a local control device. The school district—the schools—will determine which filtering device and how to use it at their own school. The same with the libraries.

This is an issue on which I have worked long and hard. I care deeply about the fact that many of our young children today and, frankly, many of our parents want to use the Internet but they don't know how to without getting into information or having their children have access to information that is simply inappropriate.

I talked with a seventh grade teacher several weeks ago who turned off the Internet in her classroom because she said it is simply impossible to watch 30 young students at their computers all of the time. She did not want a situation where a child got into a pornographic or inappropriate site, went home, complained to their parent, have a parent come screaming back to her classroom, and she would be responsible for that. She turned off the Internet.

This is going to cause concern among all of our educational facilities across our country if teachers don't have the kind of information available without a filtering device.

The bill is simple. It is common sense. It is the right way to go, and I

urge all of our colleagues to push to have this bill come to the floor and to pass it. It is the right way to go.

I did oppose the CDA Act from several years ago. I knew it was unconstitutional. I knew it would be thrown out. We cannot afford to go through that kind of debate again. This is a problem that needs to be answered today, and the child-safe Internet bill does it in a commonsense, safe way. Most parents would not send a child to a playground in their local community unsupervised. We cannot allow our young children to be in the Internet unsupervised. The child-safe Internet bill is the right way to go. It is a local control way to make our technology work for all students, and I urge all of my colleagues to be supportive of this approach. I urge our leadership to bring it to the floor as soon as possible.

Thank you, and I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I am proud to stand and join my colleagues from Arizona and Washington in voicing concerns about the spread of pornography on the Internet and the general direction in which the information superhighway is moving.

Like my colleagues, I am very troubled by the story that USA Today carried this morning about a particular web site—www.ourfirsttime.com—that is promising to broadcast a video feed of two 18-year-old high school graduates having sexual intercourse for the first time as it happens next month.

As Senator MCCAIN indicated, it may be that this site is a hoax, but it makes a statement about the Internet and the values in cyberspace which is all too real, because it shows that there are practically no stop signs on the information superhighway.

The important point here is that two teenagers could quite easily decide to do this and invite every wired American child effectively to a live sex show, regardless of their age, which tells us that there are no recognizable boundaries in cyberspace, no common standards of decency or taste, or any shared sense of accountability. Anyone can do just about anything, and they often do.

This is no revelation to experienced ''netizens'' who are well aware of the wide array of sites concerning bomb-making, bestiality, and many other expressions of antisocial behavior and deviancy. They know that the net, while offering incredible riches of information, education, and communication, has also managed to catch just about every form of depravity and antisocial behavior and put it on display for all the world and our children to see.

Yet, for many nonwired Americans, the extremes of online perversity may be news, and these citizens, particularly the parents, have every right to be fearful about what is lurking around the net's next corner.

What they will find, I am afraid, is not just more and more pornography for kids to latch on to, but less and less moral certainty, fewer bright lines of right and wrong, the kind that are critical to living in a free, decent, civil society. One of those bright lines we never used to question was our responsibility as adults to protect our children from harm, both physical and moral, which meant shielding them from violence and carefully setting sexual boundaries for them as they grow.

In recent years, our commitment to this common value seems to have weakened, giving rise to a popular culture that is replete with gunplay and foreplay, with violence and public displays and comments on all forms of sexual behavior, and it teaches children the worst kind of lessons about what is acceptable. Today, unfortunately, this extraordinary development in our lives, the Internet, which has so enriched our lives in so many ways, has also become the highest tech distillation of this anything-goes mentality.

Senator MCCAIN and Senator MURRAY have been forceful advocates for drawing basic lines of online decency and setting basic standards of online behavior. I applaud their leadership on this front. In particular, I appreciate their efforts to promote responsible use of the Internet at schools and libraries. I hope we have a chance to consider their legislation on the floor soon.

Mr. President, in the best of all worlds, which is to say what we hope this online world might be, the responsibility for drawing lines and setting standards really should fall to the leaders of the Internet community.

I have said over and over again in my comments about television and video games and records, for instance, that I am extremely reluctant to resort to governmental restrictions on speech or any forms of expression and much prefer self-regulation. Also, given the sophistication of the net's underlying technology, I doubt that a legally mandated solution to the pornography problem will be as effective as we would want it to be in reaching our common goal of protecting children.

It was for these reasons that I voted against the Communications Decency Act, and it was for those reasons that I recently began working with Representative RICK WHITE of Washington State to push the Internet community to get moving on this issue. Nine days ago, we sent a letter to the major participants in last December's Online Summit expressing our concern about the industry's lack of action and calling on them to collaborate on a comprehensive plan to help parents keep their kids safe online. We made it clear that we did not want to pursue legislation but that we, along with a host of other Members of Congress from both parties, would have no choice but to vote for Government standards if the industry did not respond with an effective solution.

So, in sum, Mr. President, we are still waiting for a response to our letter. My hope is that the news about the ''our first time,'' and the forcefulness of the statements we are making today, will help to focus the Internet community's attention on the seriousness of this problem and prod them to produce some tangible results. In the meantime, I hope our comments will raise the awareness of America's parents about the threat that the Internet can pose to children and encourage them to pay closer attention to their children's online activities.

I thank the Chair, and I yield the floor.

Mr. MCCAIN. Mr. President, I believe there is no further business before the Senate. I move we——

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I just want to join my colleagues here in urging our leaders and urging the Senate to move forward on legislation that has been debated and discussed and passed by the Senate that needs to be revisited. The Supreme Court struck down language I offered more than a year ago that was passed by this body by a 84–16 margin, passed by the House of Representatives, and signed by the President of the United States.

That legislation attempts to address the commercial purveyors of pornography over the Internet—as invasive a practice as anything that we have seen. It makes the corner pornography shop pale in comparison in terms of access to some of the rawest, most explicit material that is available today, and it makes it available to children through the click of a mouse—in their room, in their home room, in their library, wherever a computer terminal is placed. It is easy access.

In fact, it is an invasive practice that even the most innocent of typed-in requests can bring a flood of material that should never be accessible to children. It is even questionable whether it should be accessible to adults. The first amendment puts some pretty severe restrictions on us in terms of what we can do.

We carefully drafted and designed our Internet pornography bill to address first amendment concerns. For some reason, the Court chose to distinguish the Internet from other forms of communication, and the very standard which the Court approved for telephone dial-a-porn messages was rejected for computer messages, saying that the Internet is a completely different mode of communication, not as invasive as the telephone.

I think the Court is behind the times in terms of understanding how the computer works. I understand that. I am of the generation that is not quite sure even how to turn the thing on. For the younger generation, it is as easy and accessible and as comfortable for them to operate as for those of us who learned to drive a car when we were

young or the technology that we adapted to in our generation.

Nevertheless, the Court has ruled. We took that ruling. We modified the language to comply with the Court's restrictions. I have been attempting to bring this bill to the floor for several months. We have been blocked in doing so, not because it does not enjoy a majority of the vote but because the computer industry and the Internet industry do not want any restraint whatsoever.

We are trying to protect the innocence of children. We are trying to give parents a tool by which they can protect their children. We are trying to put penalties in place which will allow us to enforce restrictions against commercial purveyors of pornography that is harmful to minors. We have revised the standard to comply with the Supreme Court dictates, and we trust that this new legislation will pass Court muster. But in order to do so, it has to pass this body first. I think we are at the point of resolving the holds and the differences of opinion on how to proceed with this legislation.

Senator MCCAIN has legislation which provides access to software packages that are a help, but an imperfect help, in terms of dealing with the problem. I have legislation which I guess would be described as a stick to go along with the McCain carrot, the hammer to lay down the enforcement and put the penalties in place, put the restrictions in place. I think the two are very necessary for us to try to get a handle on this problem. It will not fully solve the problem.

The first line of defense has to be the family. It has to be the parents, has to be their oversight of what their children have access to—not only in the home but in the school, in the library. It is disappointing that schools and libraries—in particular, library associations—have opposed what we are trying to do. We think we have a consensus now on how to move forward. I am pleased that we are closing in on that and urge our colleagues to support the efforts that will take place shortly.

Thank you, Mr. President.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 11 a.m.

Thereupon, at 9:26 a.m., the Senate recessed until 11:00; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUTCHINSON).

The PRESIDING OFFICER. In my capacity as a Senator from the state of Arkansas, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2159, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Daschle amendment No. 3146, to provide a safety net for farmers and consumers regarding marketing assistance loans.

AMENDMENT NO. 3146

The PRESIDING OFFICER. Under the previous order, there will now be 3 hours' debate on the Daschle amendment numbered 3146.

Under the previous order the Senator from Mississippi, Mr. COCHRAN, is recognized.

Mr. COCHRAN. Mr. President, as I understand it, the time is equally divided. In view of the fact that this is an amendment offered by the Senator from South Dakota, I presume he or some other person who supports his amendment will come to discuss the provisions of the amendment for the benefit of the Senate.

Until that time arrives, if I suggest the absence of a quorum, I believe time would run equally against the proponents and the opponents of the amendment, is that correct?

The PRESIDING OFFICER. That would require unanimous consent.

Mr. COCHRAN. I ask unanimous consent to that effect.

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

Mr. COCHRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. ABRAHAM. 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. ABRAHAM. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 10 minutes.

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

TRIBUTE TO MAX FISHER, OF MICHIGAN

Mr. ABRAHAM. Mr. President, I rise today to actually announce to the Senate and to, at least from a distance, celebrate the 90th birthday of one of the great citizens of my State of Michigan, and also one of the truly great citizens of America, Max Fisher.

Mr. Fisher is a friend of many of us who have served in public office—certainly in Michigan, and even here at the national level—because of his longstanding involvement in the political process. But he is much more than a political activist, he is a business leader of great renown, having built very successful companies in our State and around the country. He has grown those companies and employed many, many Americans in a variety of different functions.

After establishing his business success, he then turned his attention to our State of Michigan and, most particularly, to his hometown of Detroit. There, for the last several decades, he has been one of the community's great leaders, very much involved in the development of Detroit, the rebirth of Detroit after the riots in that city in the sixties. He has been very active in the governance of southeastern Michigan in a variety of ways, investing his own time and resources in many worthwhile causes aimed at making certain that the Detroit metropolitan area remained a strong, economically vibrant, compassionate community, which it is today.

Mr. Fisher's involvements go beyond, however, his own hometown. He became active in the political process in the early 1960s. He became very involved in the activities of the then Governor George Romney, and then through that he began an involvement with the Republican Party on a national level. His interests, however, transcended his party. It clearly is an interest born of a love of this country and of the issues we confront. As a consequence, he has served as an advisor to many who have held office, both in the U.S. Senate and in the House of Representatives, and even the Presidency itself. He has been a close advisor and a close friend to Presidents Nixon, Ford, Reagan, and Bush, and I believe also some on the other side of the aisle as well. Indeed, tonight, at a celebration of his 90th birthday, several of our former Presidents will be in attendance to demonstrate their friendship and admiration for him.

Max Fisher's interests have gone beyond the shores of the United States as well. He is a great champion of the nation of Israel. He has played a very active role in the American Jewish community, various organizations and foundations; and, through several of those, he has provided a great deal of support and assistance to the development of the nation of Israel. I know that he is held in great esteem there as he is here in the United States.

His interest in others transcends just one particular cause. It basically applies to virtually every cause I am familiar with. His name is inevitably linked to charitable organizations, to

foundations, and various other community service entities in our State, as well as across this country, that try to make America and Michigan better places to live and better places to raise families.

In any event, Mr. President, Max Fisher has led a great life, and he has contributed much during that life to all of us, and to his nation in particular. So I wish to pay tribute to him on the event of his 90th birthday and also to pay tribute to him for the many things he has done to advance us, whether it is in the political arena, the business arena, the charitable arena, or a variety of others. Unfortunately, because of our schedule, I will not be able to participate in the events this evening that will commemorate his birthday. I know that I speak for a number of our colleagues, who have friendships with Max, in sending him, on all of our behalf, warm congratulations on this important event.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Under whose time is the quorum call?

Mr. ABRAHAM. Mr. President, I yield it on the basis of the time that has been yielded under the previous quorum call.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Parliamentary inquiry: Does the order provide for a quorum call?

The PRESIDING OFFICER. The unanimous consent agreement called for the time to be counted equally against each side.

Mr. BUMPERS. I ask unanimous consent, with the permission of the Senator from Michigan, to divide the time of the quorum call between the two parties, the proponents and the opponents.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. WELLSTONE. I thank the Chair.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I also ask unanimous consent that Dan Weiner, who is an intern in my office, be allowed to be in the Chamber during the debate on this bill.

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

Mr. WELLSTONE. I thank the Chair.

AMENDMENT NO. 3146

Mr. President, I ask unanimous consent that a letter from Wally Sparby, who is the State executive director of the Minnesota Farm Service Agency be printed in the RECORD.

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

UNITED STATES DEPARTMENT OF AGRICULTURE, FARM SERVICE AGENCY, MINNESOTA STATE OFFICE,
St. Paul, MN, June 30, 1998.

DAN GLICKMAN,
Secretary, U.S. Department of Agriculture, Washington, DC.

DEAR SECRETARY GLICKMAN: Please find attached copies of letters received from several County Committees requesting that CCC commodity loans be extended. The Minnesota State FSA Committee is also requesting your assistance and support. Minnesota producers are facing an economic crisis and conditions will continue to deteriorate without assistance.

Market rates have dropped drastically. The last week of June 1995 producers were receiving an average market price of $2.50 for corn. In the last week of June 1996 corn markets were averaging $4.50 and in 1998 the corn price has dropped to an average $1.92 per bushel. The same is true of wheat. The last week of June 1995 the average market price was $4.50 per bushel; in 1996 the average was $5.60 per bushel and in 1998 the price has dropped to an average of $3.25 per bushel. Producers have no control over market prices and the Federal Agriculture Improvement and Reform Act of 1996 and limited the marketing tool provided by the CCC commodity loan program.

Due in part to Minnesota's geographic location, transportation can be a major problem. Elevators are indicating there will be a shortage of transportation and storage this fall. As of June 29 there were 13.4 million bushels of wheat, 153.9 million bushels of corn, 31.3 million bushels of soybeans, and 3 million bushels of barely under CCC loan. There are also oats, flaxeed, sunflowers and canola under CCC loan in Minnesota. Of that total 191.2 million bushels and cwt. will mature between July 31, 1998 and December 31, 1998. CCC is already taking delivery of barley and we believe other grains will follow when loans mature. Elevators have indicated that they will be unable to take delivery of grain when the 1998 harvest begins. Harvest will coincide with loan maturity dates creating a major storage problem.

The CCC Commodity Loan Program is a marketing tool. Historically CCC commodity loans have provided producers with a chance to market their grain while obtaining capital at a reasonable interest rate. Prior to two years ago loans could be extended during periods of market downturns thus providing producers the flexibility to store their grain until the markets improve. Programs also provided for interest forgiveness and storage payments during market downturns.

Extension of CCC loans will only help producers if storage is available, if interest does not continue to accrue of the loans and if there is some type of income to sustain producers until the markets improve. We are proposing and asking for support of a farm storage facility loan program and the extension of CCC commodity loans. To provide a safety net we propose that when market rates reach a certain low that producers be paid storage and that interest stop accruing on CCC commodity loans. A summary of our proposal is attached.

We are also asking for full support of the proposal to remove the ''cap'' on corn and wheat loans. The Federal Agriculture Improvement and Reform Act of 1996 which ''capped'' the loan rate has resulted in loan rates below the five year average (dropping the high and low years). Historically local market have followed the CCC loan rate. It has only been in the past couple of years that has not been true. Higher loan rates would influence an improved market price for commodities.

We believe that in many cases these changes could mean the difference between the continuation of the family farm and liquidation.

We appreciate your consideration.

Sincerely,

WALLY SPARBY,
State Executive Director,
Minnesota Farm Service Agency.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I speak in favor of this amendment introduced by Senator HARKIN and ask unanimous consent that if I am not already, I be included as an original cosponsor.

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

Mr. WELLSTONE. This amendment will lift the cap on the farmer's marketing loan rate and extend the loan repayment period from 9 months to 15 months. That sounds very impersonal, to lift the cap on the loan rate and extend the repayment period, but I say to my colleagues—and I know my colleague from North Dakota, Senator DORGAN, will speak about this as well—this proposal goes to the heart of what we must do this week if we are to respond to the economic pain, and for that matter, the personal pain, of many farm families in our country.

I will be going to another farm crisis meeting in Granite Falls, MN, in western Minnesota, this Saturday. I am hoping and praying I can come back with a report that we have been able to take some action that will give farmers some hope—it is really a desperate situation.

Wally Sparby, who is the director of the Farm Service Agency in Minnesota, is predicting that on the current course—and we have to change the course—we could see about 20 percent of the farmers in serious trouble. That is a lot of farmers in the State of Minnesota. Agriculture is very important to my State. From 1996 to 1997, we saw about a 38-percent drop in farm income.

When I talk to farmers at gatherings, or when I am in cafes in Minnesota, I think the one thing they talk about more than anything else—and I imagine you hear the same thing in Arkansas—is price. That is really the key thing—a fair price in the marketplace. That is what farmers are asking for. They are saying, give us a fair shake.

Now, unfortunately, that is not what is happening, and I believe that one of the mistakes that was made in the 1996 Freedom to Farm Act, which I called then the ''Freedom to Fail Act''—and I wish I could be proven wrong, but unfortunately I think the evidence which is staring us in the face proves me right—while we gave farmers the flexibility in planting, which I am all for,

the problem is that the loan rate which sets the floor price is set at such a low level. Right now, the 1996 farm bill caps the price at an extremely low level artificially. The rate is $1.89 per bushel of corn and $2.58 for wheat. No one can cash-flow or stay in business at these prices.

Since market prices are now, in fact, nearly down to those levels for corn and for wheat, that is exactly why we have this crisis which we are calling an emergency. So far in Minnesota this year the average price for corn has been under $2 a bushel and it has been about $3.25 for wheat. In the wheat-producing parts of Minnesota, those low prices have combined with the bad weather and scab disease to create truly dire economic conditions.

What I want to say to colleagues, and what I want to say to people in our country is that right now $2 a bushel for corn and $3.25 for a bushel of wheat is way below the cost of production. Farmers cannot make it—nobody can make it—at these prices, unless you are a huge conglomerate that can weather low prices while family-sized farms get driven out, and then you can buy up that land. But for the Midwest and for other parts of the country as well—this is not just a regional issue—for all of us who value the family farm structure of agriculture where the people who farm the land live there and live in the community, this is a crisis all to be spelled out in capital letters.

What our farm policy used to be was that when the prices were good, you let the market pay the farmers. When the market wasn't so good, you would help stabilize income by holding the market price up. Freedom to Farm changed that. In other words, the loan rates gave the farmers some leverage vis-a-vis the huge grain companies because, if the prices were down, farmers just held on because they knew at least they would get this loan at this price. But, of course, the grain companies needed the grain so they would have to pay more. That set the price for the farmers.

Now, what we have done with this cap is we have set the loan rate at such a low level, the prices are plummeting, people cannot make it at these prices and therefore they are going under. This is a matter of elementary justice.

This amendment that I speak in behalf of lifts the cap on the loan rate. That means that the loan rate would rise to $2.25 for corn and $3.22 for wheat. This is still too low a price.

I see my colleague from North Dakota in the Chamber. If we at least do that, combined with extending the period that the farmers can hold on for another 6 months, extend the loan rate period, then I think we can begin to lift the market prices.

Now, I would like to raise the loan rate further, and Senator DORGAN and I may be back in the Chamber to talk about this later or to take action on this later. I think it should be something like at least $3 for corn and $4 for wheat, at least for a targeted level of production, which would be a family farm level of production.

But I want to make it crystal clear that at the very minimum what we have to do this week—this is very reasonable; this is a 1-year emergency—is take the cap off the loan rate to begin to get the prices going up, extending the period for the loan rate, making sure that there is some indemnity payment, some disaster relief for farmers that have been hit by this disaster of low prices, bad weather, scab disease. This is all targeted, all focused on a disaster in rural America, in agricultural America, and this for us, for those of us who come from the farm States, is a matter of huge importance. There is no more important amendment that we could be speaking for than this amendment.

Mr. President, I just want to speak to one argument that has been made on the floor, and that is the argument that trade is the answer. I am for trade. In fact, I wish we had fairer trade for agriculture. But I find it surprising that some so-called advocates for farmers are in a big hurry to grant fast track negotiating authority.

My question is, For what? If we export more bushels of corn, or more bushels of wheat, at a loss, how does that do the farmer any good? I say to my colleague from North Dakota, it is sort of confusing to me. If, in fact, the prices are so low that the farmers in our States are losing on every bushel of corn or every bushel of wheat they produce, how does it help them to produce more bushels of corn or more bushels of wheat? It makes no sense at all.

Mr. DORGAN. Will the Senator from Minnesota yield for a question?

Mr. WELLSTONE. I will be pleased to yield for a question.

Mr. DORGAN. I wonder if the Senator from Minnesota remembers a couple of years ago this Congress—or a Congress passed a new farm bill, one that I voted against and one he voted against. Do you remember, following the passage of the new farm bill, some of the large corporate agricultural interests were celebrating? They said, ''We won.'' The big corporate agricultural interests said they won. So they were having a big celebration.

It is not surprising, then, back when they were trying to push this kind of farm bill through, that those of us who voted against this farm bill said, ''You are pulling the safety net out from under family farmers.''

You have minimum wages for folks who work at the bottom of the economic scale in town. What they were trying to do 2 years ago, with the farm bill, is the same as saying to the minimum wage earners: Let's cut the minimum wage to a buck an hour and call it ''freedom to work.'' It would be the same thing on minimum wage: Let's cut it to a dollar an hour and call it ''freedom to work.''

What they said to farmers was: Let's pull your safety net out from under you and call it Freedom to Farm. What a bunch of baloney. Then prices collapsed, we have crop disease, we have disaster, we have family farmers going broke in record numbers, so many that we don't have enough auctioneers to handle the sales in North Dakota, and now we are back here a couple of years later and folks say, ''Gee, the farm bill is working just fine.'' It is not working just fine. This is not an accident. We don't have price supports that are sufficient.

I would say the amendment before us, offered by the minority leader, is the most modest of amendments. We ought to go, at a minimum, to $3.75 or $4 on a marketing loan, triggered to the first 20,000 bushels of wheat produced, so that you target some reasonable support to family farms and say, with that, that family farms matter, they have merit and worth and value in our society.

Does the Senator recall, a couple of years ago, the celebration by the corporate interests in agriculture over the passage of that farm bill?

Mr. WELLSTONE. Mr. President, in reply to my colleague from North Dakota, I also want to ask my colleague to focus his attention for a moment on the original United States-Canadian trade agreement superseded by NAFTA and ask him how well our wheat growers have fared by that agreement.

Those who are talking fast track without a fair trade agreement for farmers—I want to raise a question about that in a moment. But let me say to my colleague, the thing I find maddening right now—and I hope I am wrong—is that, yes, obviously, if the farmers don't have the leverage and they can't get the price, it is great for the grain companies; they get to buy from the farmers at record low prices. The problem is that I think a lot of colleagues are not willing to revisit this question. In other words, we voted for what was called Freedom to Farm. We set the loan rate at such a low level, the prices have plummeted, and what I worry about is that somehow this amendment becomes a referendum on Freedom to Farm. It is not.

For those colleagues, Democrats and Republicans alike, who supported the Freedom to Farm bill—fine; we can continue to agree or disagree. But for right now, given the fact that prices are way down, all we are saying in this amendment is, for 1 year, as an emergency measure, take the cap off so we can get the loan rate up, so we can get prices up. Combine that with indemnity payments and a couple of other measures, but in particular these two measures, and we can help get farm income up and enable people to stay on the land and not be driven off their land. That is what it is all about. In other words, time is not neutral. We are confronted with the fierce urgency of now.

I would say to colleagues, I am willing to debate trade policy. Personally, I don't think the United States-Canadian agreement has worked well at all

for our wheat farmers. Nor has NAFTA—it has been a terrible agreement, a terrible agreement. You can ask the farmers about that.

But above and beyond any debate about trade policy today, above and beyond the overall debate about the Freedom to Farm bill, let me just simply make this appeal to everybody who is out here. For right now, can't we at least reach some common agreement on some emergency measures that we can take? The fact of the matter is, you can export more bushels of corn and more bushels of wheat, but if the price is so low it is costing the farmers more to produce that bushel of corn than the farmer is getting for that bushel of corn or bushel of wheat, they go further and further in debt.

At least let's get the floor up. At least let's get the price up. At least let's get the disaster payments out there. If we do that, then we will have taken some action that will be concrete, will be real, and can make a difference. There is a lot more I would like to say about what I call the ''freedom to fail'' bill. I am a critic of it. I think it is a terrible piece of legislation. I said it then; I will say it now. It was great for the grain companies; it was terrible for the family farmers. It looked great when prices were up and transition payments were out there, but what goes up goes down, and now we have no way of stabilizing the situation for family farmers in this country.

This amendment goes a significant way toward stabilizing the situation, getting the prices up, enabling our farmers to get back on their feet to be able to cash-flow. Combine it with the disaster relief payments and we will have done something good.

I hope we will have support for this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I appreciate the thoughts expressed by the Senator from Minnesota. I want to follow on, just briefly, on the question of trade. It relates to this entire issue of how farmers are doing, because farmers are told by some: You go ahead and compete in the free marketplace. We will set you loose. Go ahead and compete in the free market.

Then farmers discover there is no free market. When they market up, the large grain trade firms have their fists around the neck of the body of a few firms that control all that. Four firms control most of the flour milling; four firms control most of the meat packing—you name it. I have shown the list out here. In every area where farmers market, there are four firms that control the majority of the processing.

With respect to trade—the Senator from Minnesota mentioned trade—farmers are told: You compete in the free market system.

Let me tell you just about the United States-Canadian situation. The vote on the United States-Canada Free Trade Agreement, when I was in the House of Representatives and on the Ways and Means Committee, was 34 to 1; 34 to 1. Guess who the ''1 '' was. Yes, that's me. It probably says one of a couple of things. It probably says I have no influence at all with the other 34 members. It may say that. They said to me, ''You are going to be the only one who votes against this. Gee, this must be a unanimous vote. We must have your vote. Everybody else in this committee is going to vote for this.''

I said, ''This is a terrible piece of legislation for this country. You are selling out American farmers with this trade agreement, and you know it. And I wouldn't vote for this in 100 years.'' And I didn't.

Let me tell you what has happened. We have a woman from North Dakota who marries a Canadian, and they go back to southwestern North Dakota for Thanksgiving. She decides, ''I am going to take some of that good hard red spring wheat that they produce in North Dakota—we produce in North Dakota, back to Canada, because I am going to crush it a little bit back there and bake some whole wheat bread.'' She loves to bake bread.

So they go back to Canada after their Thanksgiving break. She has a couple of grocery bags full of hard red spring wheat from North Dakota, so that when she gets back home she can bake a little bread. She gets to the Canadian border and she is told, ''Oh, we are sorry, you can't take that wheat into Canada. You can't take a couple of grocery sacks full of wheat into Canada.'' All the way to the border she meets semi-truckload after semi-truckload after semi-truckload of Canadian wheat coming south.

Or a man with a pickup truck, and just kernels of wheat in the back, is told you must sweep out the back of the pickup truck before you can enter Canada with kernels of wheat. So he sweeps the pickup truck box out. All the time he is sweeping, Canadian 18-wheel semi-truckloads of wheat are coming into this country. In fact, we even had an agreement with Canada at one point to provide some sort of reasonable limit, and they exceeded the limit last year by 25,000 semi-truckloads—25,000 semi-truckloads.

I went up to the border—I told my colleagues this many times before—with Earl Jensen, and we had a 10-year-old, orange, 2-ton truck with a few bushels of wheat on it. We almost had to use our windshield wipers to wipe away the grain splattering against our windshield on a windy day from Canadian 18-wheelers hauling all that flood of Canadian grain into our country.

Guess what? When Earl and I pulled up to the border, we were told, ''We're sorry, you can't get that American grain into Canada.''

Free trade? Who negotiated that kind of soft-headed, weak-kneed trade agreement do we have that refuse to stand up for this country's interest, that say to other countries, ''Yeah, you can close your borders to us and we will open our borders to you, and we will call it fair, and we will call it square''—what kind of a deal is that?

In this town, everybody talks about free trade, never wanting to talk about the details. The fact is, every one of our farmers in North Dakota and every one of the farmers in Minnesota, represented by Senator WELLSTONE, confront that problem every day, and it is unfair.

That grain comes flooding across our border, I am convinced unfairly subsidized, and we sent the Government Accounting Office up to the Canadian Wheat Board to audit their books and records, because we think they are dumping illegally in this country. Guess what they said? ''We are sorry, we have no intention of opening our books and records to you; scram, get out of here.'' So here we are.

Prices collapsed because of unfair trade and, yes, Canada is a major part of that. Prices collapsed for a dozen other reasons. Rampant crop disease devastates the quality of the crop, and then we have farm families who for 30 years have been turning that yard light off and on every morning as they get up to do chores, gas their tractor, go out and plant their seeds and hope they can raise a crop. And now they are told, ''Well, gee, we are sorry; we have free trade and a free market and if you can't make it in either, tough luck.''

The plain fact is, there is no free trade and there is no free market, and anybody who thinks about the details and the specifics knows it. We owe it to the farmers of this country in a range of areas, whether it is international trade or price supports or other areas to say we want to stand for the interest of family farmers.

Let me also say the Freedom to Farm bill was a bill that had a couple of propositions, one of which makes eminent good sense, and I support it, and that is, farmers ought to be able to choose to plant what they want to plant when they want to plant it. That makes sense to me, and I support that. But the other is to say we will now essentially withdraw price supports and tell farmers you operate in the free market, despite the fact the free market doesn't exist. That doesn't make any sense. If ever an example of throwing the baby out with the bathwater is appropriate, it is here.

We didn't need, in order to give farmers planning flexibility, to decide that price supports don't matter. Eighteen years ago, the target price for wheat was $4.38 a bushel, and the loan rate was $3.65 a bushel. In every other area, prices have gone up for input costs; in every other area dealing with other earners, minimum wages have been increased some. But the compensation for farmers has been substantially diminished in terms of support prices. It is as if to say the economic all-stars in this country don't matter. They work hard, they produce well, they produce the best quality food for the lowest

percent of disposable income anywhere on the face of the Earth, and they are told, ''By the way, the value of what you produce does not have worth.''

I said yesterday, and I say it again, because at least to me personally it is so perplexing and seems so Byzantine, this morning, as I speak, halfway around the globe, we are told there are old women climbing trees in Sudan to forage for leaves to eat because they are near starvation. A million, a million and a quarter people are on the abyss of starvation. And then halfway around the globe, again, we are told those family farmers, who raise food in such abundant quantity and such good food, that what they produce doesn't have value and doesn't have worth.

The marketplace says to them—whatever this marketplace is—choked down on the top, choked from the bottom, choked on the sides by unfair trade by monopolies from railroads, to grain processors, to millers, you name it; they are telling the farmer in this distorted marketplace that what you produce doesn't have value. It costs you 5 bucks per bushel to produce; we will give you $3 for it. Want to lose $2 a bushel? That is fine. Lose your heritage, lose what your dad produced, lose what your grandad produced. And you go to these meetings and you find these folks who stand up at a meeting, as they have for me, and one sticks out in my mind—I have had many of them in recent weeks—a big, burly, husky kind of guy with a beard and with friendly eyes who said, ''You know, I have been a farmer all my life. I love farming. My grandad farmed. My dad farmed, and I have farmed for 23 years.'' He got tears in his eyes and his chin began to quiver as he said, ''But I have to quit. I can't make it. I can't raise grain at $5 a bushel or $4.50 a bushel and sell it at $3.50 a bushel and my lender says I can't get enough money to put in the next crop.''

When you see people like that begin to tear up and talk about what family farming means to them, then you understand this is not dollars and cents, this is not just some macroeconomic theory, this is something much more in this country.

Family farming has always meant much more than just dollars and cents. Thomas Jefferson described it, as I said yesterday, as the most important enterprise in America. His words were more eloquent than that, but that is what he said. What he meant was these people who dot the landscape in America, the broad-based economic ownership that comes with family farming contributes immensely to our country. I have said before, it contributes to the family values of our country. Family values have always originated on family farms and rolled through to our small towns, nourishing our small towns and our big cities.

There is much more here than just dollars and cents. I hope that as we begin these discussions we can remember this. At least the first amendment that we adopted yesterday says, yes, this Congress recognizes there is a crisis. In my State, family farmers have seen a 98-percent decrease in net income. Name anybody living anywhere, except the wealthiest among us, who could, at the end of a period where they have lost 98 percent of their income, stand and say, ''Well, I am doing just fine.'' Most everybody on every block in every community in every facet of life would be flat on their back losing 98 percent of their income, and we know that.

It is not different for family farmers. They are now flat on their backs facing collapsed prices, rampant crop disease and fundamentally unfair trade in every direction, markets that are captured and cornered and collapsed by a few companies, a few companies that control those markets.

It is one thing to say to farmers, ''It is a free market and free trade, and God bless you, and what happens.'' That is not, in my judgment, what this country ought to offer family farmers in terms of domestic policy.

(Mr. BURNS assumed the Chair.)

Mr. JOHNSON. Mr. President, may I direct a question to the Senator from North Dakota?

Mr. DORGAN. I will be happy to respond.

Mr. JOHNSON. As I understand the immediate amendment before the Senate having to do with marketing loans, it strikes me, and I wonder if the Senator shares this view, that we need to put this in some perspective. There are some who view this as a debate on Freedom to Farm, and certainly there are those of us who have widely and varied opinions on that underlying legislation. But the amendment that is pending, does the Senator agree, does not unravel or turn inside out or otherwise dispose of the Freedom to Farm legislation?

The amendment, as I see it before me, builds on what is already in the existing farm bill; that is, a marketing loan provision that is already there, at an inadequate level, but it is there, and the amendment that is pending simply gives the President of the United States the authority in a state of emergency for 1 year to remove the current loan caps and raise the cap on wheat from $2.58 a bushel to $3.22, on corn from $1.89 to $2.25, on soybeans from $5.26 to $5.33 and extend the loan period from 9 months to 15 months?

Would the Senator agree that this is not a radical amendment? This is not an amendment that somehow sweeps away the previous legislation—and we have different opinions about what ought to happen—but this amendment, it would seem to me, is a very modest, in fact, very narrowly crafted and a very modest change in what is already existing law. Would the Senator agree with that point on this issue?

Mr. DORGAN. The Senator from South Dakota, Senator JOHNSON, states it exactly as it is. I have said before, this particular amendment gives modesty an understated reputation, in my judgment. It is too modest for my taste. I certainly am going to support it. I certainly will support it because it does increase the loan rate, albeit to a level that is far too low. It does increase the loan rate some. It does extend the time in which a farmer can use that marketing loan to better market their grain; and certainly we ought to do that.

If we say, as a consistent philosophy, farmers should go to the marketplace for their price, then you must give farmers the time to access the marketplace when the price might be better than it is just after harvest. Normally, just after harvest they truck that grain to the elevator and—guess what—they find prices that are not very high. It would be better for them to hold it and wait until it is in their advantage to market it.

The Senator from South Dakota describes it as it exactly is. This does not, in any way, unravel the tenets of the current farm program. Would I like to unravel it? You bet your life I would. I do not support it. I never did. I think it is a terrible farm program. Does the planning flexibility make sense? Yes, it does. I support that fully. But the notion that somehow we ought to decide that in every other area we will provide some basic support because that area has merit and worth and value, but in family farming we will pull the support out because somehow that is of lesser value to this country—as I said earlier, this is a lot more than dollars and cents.

That is what the farm bill debate missed a couple of years ago. The specific amendment which I intend to vote for but which is so incredibly modest—it really ought to be replaced by an amendment that says for a certain amount of production, 20,000 bushels of wheat, for example, we will provide a $3.75 or $4 loan rate, marketing loan rate—not the kind of loan where the Federal Government takes control of the grain but, in effect, it becomes a marketing loan where we pay the difference between what the farmer gets on the open market and what the support price is. That is what we ought to be doing. But this amendment is certainly worth supporting because, as the Senator says, it does not fray, undermine or unravel the tenets of the current farm program.

Mr. JOHNSON. Well, may I ask the Senator from North Dakota—I applaud his work on this amendment. I have long supported his concept of targeted assistance for family producers in this context and various others. We have discussed this over the years. But when we expand the loan period from 9 to 15 months, if the producers are required to sell their product within a shorter window of time, does that depress the price further? And who gains by producers having to sell their grain within a shorter window of time than over a longer window of time? Who are the winners and who are the losers when

all of the farmers are required, within a relatively short window, to dispose of their grain at one time? Who wins and who loses by that policy?

Mr. DORGAN. The answer to that is clear. The bigger interests win, the littler interests lose. That is why it seems to me that if you follow the philosophy of the current farm policy, you have to give them the flexibility of going to the marketplace when it is in their interest. And they do not have that capability now because most of them are forced to haul that to the market and sell it as soon as they get it off the ground because they have to pay back the operating loans.

Anybody who says this isn't about big versus little is just flat wrong. Look, if somebody wants to farm an entire county, they have every right to do that. They can farm the entire county. They can buy 50,000 acres of land. They can plow as far as they can plow in 24 hours, camp overnight, and plow back as far as they can. They have a right to do that in this country. But they ought to join with the good Lord and their banker and figure out how they make ends meet. I am not terribly interested if they want to try to farm the whole county, how we offer price supports for them.

But the family out there farming a family-size operation, they are turning on the yardlight, they are doing chores, they are taking enormous risks—do I want to provide some type of continuity and help for them? Of course I do. It seems to me, we ought to construct an approach that says to those folks, ''You really do matter.'' We have in North Dakota—you probably have the same in South Dakota, and I assume other States—we have 53 counties. Ten of them are growing and 43 of them are shrinking. My home county was 5,000 people; it is now 3,000 people. All that has to do with family farmers leaving the farm. And they are now leaving at an accelerated pace.

I do not know that there is a magic answer to all of this. It is just that this particular amendment is an amendment that says, let us try to find a way to give farmers some flexibility to access the marketplace when it is more in their interest to do so rather than be forced to haul their grain to market and sell it when perhaps the prices are at bottom levels.

Mr. COCHRAN. Would the distinguished Senator yield for a question?

Mr. DORGAN. Of course.

Mr. COCHRAN. My question is, How long do you intend to hold the floor? I am curious—not critical at all—but curious, because I agreed to yield to the chairman of the Agriculture Committee time on the amendment. He has been on the floor now for almost 30 minutes. I was just curious to know when I might be able to yield some time to him.

Mr. DORGAN. I have nearly completed my statement. I respect the Senator from Indiana and the Senator from Mississippi. They both are wonderful legislators. We might disagree from time to time on some of these issues, but I know he has been here for some while. This is, as you might imagine, enormously important. Agriculture drives our State's economy. I feel very strongly about a number of these issues. But I certainly want the Senator from Indiana to be able to make his statement.

Let me finish by saying, I do not come here trying to figure out who is at fault. While I have strong feelings about farm policy, when I think this current policy is not good farm policy, and I have opposed it in the past, I think everyone comes at this with good will and with their own strong feelings about what ought to be done.

But I do think that family farmers out there, are struggling these days against the odds and circumstances where they cannot control their own destinies at all. It is not their fault they have been devastated by crop disease. That is not their fault. It is not their fault that grain prices have collapsed. They did not have anything to do with that. And it is not their fault that the Crop Insurance Program, that we advertised as replacing a disaster program, does not work at all for somebody who suffers five straight disasters.

One-third of our counties in North Dakota have had a disaster every year for 5 straight years—every year for 5 straight years. It is not their fault that crop insurance does not work for them. Each succeeding year means you get less of a base because you did not get a crop the previous year, so you still pay those premiums and get less from the Crop Insurance Program.

Again, farmers ought not to be faulted for these circumstances. We ought to find a way to create a connection here to something that does work, to say to them, ''You matter. And we want to do something that makes a difference for you. We want to do something that gives you the opportunity to continue to farm.'' If you are a good manager and if you are willing to take some risks, we're willing to stand for you and with you to say, 'Yes, here's a disaster program. Here's an indemnification program. Here's a little better opportunity on a loan rate. Here's the ability to hold that grain a little longer. Here are a number of things we want to do to try to make your life a little easier.' ''

If we do that together—and I hope we will—and if we work with President Clinton who some of us plan to meet with this afternoon—I hope that perhaps at the end of the day we will all have decided that we have made a difference for family farmers. And, more importantly, I hope that family farmers will decide that we have made a difference in their lives as well.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Indiana, Mr. LUGAR.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I thank the distinguished chairman of the subcommittee for his insistence on my gaining recognition. I appreciated the colloquy between the distinguished Senator from North Dakota and the distinguished Senator from South Dakota and the earlier comments of the distinguished Senator from Minnesota.

I come before the Senate as a fifth-generation family farmer; that is, five family generations of Lugars, from the 1820s in Grant County, through the present farming operation we have in Marion County, have been involved in the business of farming. We take the family farming very seriously on the 604 acres of corn and soybeans and tree stands that I am now responsible for and have been for the last 42 years.

The contents of farm legislation are interesting to me as a citizen of this country, certainly as a member of the Agriculture Committee, and as one who is affected by those policies as I try to determine what I ought to plant, what my opportunities are as a family farmer in Indiana. I have been a longtime member of the Indiana Farm Bureau, as was my father, Marvin Lugar, and my uncle, Harry Lugar, a longtime member of the farmer's union in Indiana. I have been responsive to both groups and to others who have been involved in organizational agriculture as we helped to fashion the last four farm bills.

I come before the Senate today just having addressed a meeting 2 days ago of the American Farm Bureau President's Group. At least on a couple of occasions a year, the president of each of the 50 State farm bureaus come to Washington, along with the various persons in their organizations. During the course of that colloquy with the farm bureau presidents, I was approached by a gentleman who mentioned he is the president of the North Dakota Farm Bureau. His name is Jim Harmon. Jim Harmon, the president of the North Dakota Farm Bureau, gave to me an article which he had published in the North Dakota Farm Bureau Journal.

I quote from his article. Mr. Harmon says:

> It seems whenever things get difficult in farming, we look for someone or something to blame. That is certainly the case with the financial crisis facing farmers and ranchers in the northern plains where we have had continuous years of adverse growing conditions, now compounded by low prices. Some would like to assign blame to the ''Freedom to Farm'' bill; and have Congress reopen it to ''fix'' the price problem. This is the wrong route to take, because ''Freedom to Farm'' is not the problem—only the scapegoat. If the Act is reopened, I fear that farmers stand to lose much more than they can possibly gain.

Mr. Harmon continues:

> The argument is being made that we need to reinstate the old ''safety net'' program of the last 50 years. Fifty years ago, we had almost seven million farmers in the United

States. We now have two million. What kind of ''safety net'' lets that many producers slip through it? The only thing those programs guaranteed was a price ceiling on most commodities in most years. Stable prices at low levels with rising production costs is not the prescription for profitability in farming. In the current legislation, the ''safety net'' of price supports and disaster declarations (not always successful), was replaced by ''transition payments'' to offset the impact of depressed prices, and the promise of meaningful risk management tools to reduce the effects of natural disasters. For North Dakota farmers, the promise of an improved crop insurance program in our risk management tool kit still needs to be fulfilled.

A recent study by researchers in the Agricultural Economics department at NDSU indicated that about three-fourths of North Dakota's 1997 decline in net farm income was due to yield and quality reductions, and one-fourth to low commodity prices.

Blaming the current farm bill for the depressed cereal grain prices is also off the mark. The bill authorizes $500 million for the Export Enhancement Program. Only $150 million was appropriated, of which NONE has been used until the now famous EEU barley shipments into the United States. Adequate funding of the Market Access Program, along with a comprehensive strategy for expanding foreign markets for our commodities are tools that must be developed and implemented if agriculture is to succeed in the global marketplace.

Mr. Harmon continues:

Another area that deserves attention is the fact that the United States has made sanctions against countries that comprise 11 Percent of the world wheat market (accounting for 40 percent of the world wheat export market). Given American agriculture's dependence on export markets, trade sanctions usually punish farmers more than the leadership of the country we're mad at.

Farm Bureau strongly believes that the following components are necessary to ensure the success of the current farm programs:

Mr. Harmon says:

Improve Federal Crop Insurance and develop new cost-efficient income coverage programs.

Utilize to the fullest extent, all of the trade tools available, including EEP, GSM 102 and 103 Credit Programs, MAP, and the Foreign Market Development (FMD) Programs.

Provided promised reforms in the areas of wetlands, pesticides, air and quality regulations.

Expand agricultural research funding.

Other items that will complete an integrated ag package include FARRM accounts, income averaging, estate and capital gains tax relief.

Changing current farm law will only open the door to false hope for those of us who need real answers. Real answers can be found by using the tools available to their fullest potential.

I believe that Mr. Harmon, the president of the North Dakota Farm Bureau, has made the case very well for the current farm bill. He has also offered some excellent suggestions. I am hopeful that, as Senators meet with the President today, the President will subscribe to many of the suggestions that Mr. Harmon has made.

Let me simply add, as that conversation with the President commences, that it would be helpful to have in front of the President U.S. Department of Agriculture estimates that the farm bill now in force in this country is providing payments totaling $17.180 billion over the 1996–1998 marketing years; that is, the first 3 years of this new farm bill. This $17.18 billion of payments to producers is in comparison to what would have been paid under the old farm bill. That would have been only $9.63 billion.

In essence, the current farm bill, during 1996, 1997, and 1998, will have made available to producers in these transition payments $7.55 billion more than they would have received if we had continued the old farm bill. I think that is an important point, Mr. President, because that amount of income, $7.5 billion, is out there in farm country now. It is in the hands of family producers, family farmers, and it is reality, as opposed to speculation.

Further, the transition payments under the farm bill are made earlier in the planting season than were the old deficiency payments. This has allowed family farms more latitude for planning as they go into planting their crops.

Under the new farm bill, farmers have the flexibility as to what types of crops to plant and in what amounts. Farmers plant for the market rather than for the Government. The distinguished Senator from North Dakota noted that was one portion of the new farm bill that he liked. It is a very important one.

As a family farmer, let me simply testify that for many years we planted corn because we were in the corn program and failure to plant corn might diminish the base on which our support payments were based. Therefore, we had to follow the dictates of the Federal Government that often asked us to set aside 5, 10 or 15 percent of our cropland.

We could have produced things that did not have a program, Mr. President, but that would have diminished the base, so that if we wanted to return to the program, we would have been out of luck. As a result, for years, USDA essentially dictated the amounts of corn, wheat, cotton and rice—so-called program crops—to family farmers. Now, as a matter of fact, with Freedom to Farm, we are exercising that freedom. We are planting what the market signals the market wants. We are maximizing our opportunities. It is a critical point, Mr. President, but totally impossible under the old supply management of the farm bills of 60-some years.

I note that current farm prices have prompted some Senators to suggest that the 1996 farm bill should be changed to alleviate what they perceive to be a farm crisis. Mr. President, we have had a lot of testimony before the Agriculture Committee and, indeed, we have heard farmers from the Dakotas and from the Chair's own State of Montana, and from northern Minnesota, testify about terrible weather problems, multiple crop failures—extraordinary difficulties that were recognized by this body when emergency disaster relief aid went to the Dakotas and to some other States last year.

Mr. President, let me just say that even granted this crisis—and it is one that hopefully can be met by many farmers through the crop insurance that they have taken out, and participation in the Dakotas, where crop insurance is intensive, perhaps more so than most any other two States—given marketing opportunities that have been available that, hopefully, will be available again given the cyclical nature of crop prices, and certainly the changes in the weather that dictate from day to day very sharp changes in the futures market, we are all hopeful of trying to alleviate the crisis as perceived by some States and some counties that have a genuine crisis.

I just point out, however, to all Members that 1998 farm prices—the ones we now have either for crops that have been harvested, or prospectively, for those in the fields—are low in comparison to the unusually high prices of 1995 and 1996. But they are about equal to the 1990–94 average price levels for wheat, corn, and soybeans. I point out that 1995 and 1996 had some unusual factors; namely, that the USDA guessed wrong and required farmers, such as myself, to set aside acreage and, in fact, the weather did not cooperate and we had very small crops in the country. Prices went up, predictably.

I just say, Mr. President, that we are now in more normal planting situations in which there are not excessive stocks around the world. Farmers are planting for the market. And my point is that the prices now are roughly the 1990–94 average for wheat, corn, and soybeans. USDA projects that farmers, this year, will receive an average of between $2.70 and $3.10 for the 1998 crop of wheat. The 1990–94 average was $3.11. Corn prices are projected between $1.95 and $2.35, according to the USDA, and that is certainly much more speculative given the fact that we still have some time to make that crop, as compared to an average of $2.30 in the early 1990s.

Mr. President, anyone who has watched the futures markets in the last few weeks has seen prices reverse direction drastically and dramatically. December corn closed on June 23, for example—not long ago—at $2.67 and three-quarters, a recovery of 30 cents from the contract lows—all in one fell swoop. Similarly, November soybeans closed at $6.40 and three-quarters, a 70 cent recovery from contract lows earlier in the season.

Today's low prices are not caused by the farm bill. They reflect large world grain supplies, a direct result of the high prices of 1995 and 1996, distorted somewhat by USDA set-asides. But they reflect something much more, Mr. President, and that is a profound crisis

in the economies of many Asian nations. If it were not for the Asian crisis, this Nation would be well on the road to setting another all-time record for the dollar value of farm exports. USDA's current projection of $56 billion in 1998 exports is about $4 billion less than the record—$60 billion—in 1996. If Asian demand simply matched last year's level, with no growth, we would have matched and exceeded the $60 billion figure. USDA forecasts that our exports to non-Asian countries will actually be 8 percent greater than in the record-setting year of 1996.

The farm bill is a source of help and not harm for farm income. From 1996 to 1998, as we pointed out, the payments have been $17.18 billion, $7.5 billion more than the old farm bill. I just simply say that this money continues throughout the duration of the current farm bill. The payments are well known to farmers. So in terms of forward planning of their operations, they understand the money in the bank that is provided by the current farm bill.

Let me just say that one of the ways in which many northern plains farmers who have been especially afflicted by very bad weather, and sometimes by wheat scab disease—a number of the northern plains farmers have adapted to these wheat problems, and scab and other disease problems, by changing the crops that they plant—oilseed acreage, for example, in North Dakota. And other States have expanded dramatically at the expense of wheat acres. Such wholesale shifts could not have occurred under the old farm policy. The disincentives to change crops were simply too great. Freedom to Farm is a package deal. Its aim is to leave planting decisions in the hands of the farmers and not the Government. And to achieve this goal, the FAIR Act provides full planting flexibility, bans production controls, and decouples income support payments.

Another element in the farm bill is the relatively low loan rates, and that is the subject of the amendment before us. The purpose of the loan rates in the farm bill now is the same as the act's other features: to make certain that price supports are a short-term marketing tool and not an alternative market. Loan rates should not be set high enough to influence farmers' planting decisions, and they should not tie up grain in storage for such a long period of time that market signals are distorted.

To state it another way, Mr. President, I have been asked by Senators, ''Why is it a bad thing for marketing loans to bring grain into the hands of the Federal Government?'' The basic reason is that grain doesn't disappear on its own accord. It is there; it is a drag on the supply side. It means everybody taking a look at futures markets knows it is still there. It has to be sold at some point. It depresses price. It depresses income. It is not a quick fix; it is not a good fix. Under the current farm bill, it is not meant to happen. That is why proposals to raise loan rates or extend the time for loans are doubly objectionable.

Not only do they put a further strain on the Federal budget, but they put the Government back in the business of substituting its judgment about crop decisions for the market's judgment, and for that matter, about marketing the stores of grain the Government accumulates. The projected crop prices for the 1998 marketing year are much lower than I would like to see, particularly when compared to the high prices of 1995 and 1996.

Mr. President, there are a number of steps that we will need to take in the Agriculture Committee and on this floor to assist farmers to obtain higher prices. I want to discuss some of those later in the day. But for the moment on the current amendment, just for the benefit of Senators, the amendment deals with removing the 1996 farm bill ceiling on loan rates. And it would mean that the USDA would be free to raise the 1998 crop loan rate to 85 percent of the past 5-year market price average excluding the high and the low years. The amendment would remove loan rate caps for marketing assistance loans for wheat, for feed grains, for cotton, and rice measured in fiscal year 1999 effectively uncapping the loan rates for the 1998 crops.

Finally, the amendment would permit the Secretary of Agriculture to extend the term in the marketing assistance loans from the current 9 months to 15 months.

I state all of this, Mr. President, because I am not certain in the debate thus far that it has been clear exactly what uncapping the loan rates means. It means, as I have stated, taking the last 5 years in these program crops, excluding the top and the bottom years, and, therefore, the average of the remaining three. And this results, for the benefit of Senators who are wondering about the amounts of money involved, that the current loan ceiling for wheat under the current farm bill is $2.58 a bushel. The calculation of the 85 percent of the 5-year average, excluding high and low prices, would raise that loan rate to $3.16.

Mr. President, I make the point about wheat because I have already suggested that the average price of wheat calculated by USDA is now estimated after a pretty good harvest at between $2.70 and $3.10 for the year. Thus, we would be creating a loan rate higher than the likely average price for wheat marketed this year. It is logical in that event that very large amounts of that crop are going to go under the marketing loan. If, in fact, to take a practical example, a wheat farmer has some prospects for the average price of $3.10, or lower than that, he or she might decide to use the marketing loan to get the $3.16, and let the Federal Government worry about what is going to happen generally with the supply of wheat in this situation.

For corn, the situation is not quite so generous. The current farm bill marketing loan would be $1.89 a bushel. Given this 5-year averaging, again with the high and low out, that goes up to $2.17. It is conceivable that given a bumper crop of 9.5 billion bushels that corn could dip below $2.17, and, if so, a good bit of corn would come under this procedure.

Soybeans are at $5.26, the marketing loan rate. Under the farm bill, that would be $5.54 given the 5-year calculation if you removed the cap. It is hard to tell precisely what the situation would be for beans, but maybe a similar one to corn.

In any event, you can predict that stock accumulations would be inevitable. These would lead, I suspect, to calls from the floor for supply control for USDA to step in and try to prevent a further accumulation of a glut of grain that is depressing prices in this country, and depressing farmers as they see those prices going down. Mr. President, this is not even a good quick fix. It is a prescription for enormous difficulty.

Mr. President, the amendment before us, as I understand, has been tailored in various ways so that, although the Congressional Budget Office has not yet scored the amendment, it is clear that it would cost at least $1.6 billion, with approximately $400 million of that cost due to extending the term in the marketing loan by 6 months, and the remaining $1.2 billion due to uncapping the loan rates,

Mr. President, I point out that in the action taken in this body the other day to make possible the tender offer by Pakistan, if it comes, for 37 million bushels of U.S. wheat, the Congressional Budget Office finally scored that, as I recall, at about $35 million in costs. And a huge scramble occurred to try to find where $35 million is, even to meet that emergency action. They found it. That is why the legislation finally made it through both Houses to be signed by the President.

But we are talking now about $1.6 billion in this amendment. The quick fix of this situation is to say, ''Well, it is an emergency outside the budget.'' Unless somebody declared that today with regard to each of the same things that we are discussing, I see no majority support in this body for a declaration of emergency of this character. I see no prospect in the other body for that to occur. The money simply would have to come, if it is to be appropriated in this way, from other agriculture programs. And the scramble will begin as to who will pay the piper. This is a zero sum game.

Mr. President, I add, finally, I started my talk by mentioning my visit with the state presidents of the American Farm Bureau. The American Farm Bureau and the 50 presidents who were there are not calling for this amendment. As a matter of fact, they do not believe the amendment is good policy, nor do I.

Let me just suggest that there are things for which farm organizations

are calling. The distinguished occupant of the Chair organized an important meeting of a good number of producer groups not long ago. During the course of that meeting a number of suggestions were made that are important policy changes. Among those were reauthorization of the Presidential fast-track trading authority. If there is a single item, Mr. President, that is important to higher income on the farm, it is that one, because in order to have an extension of our exports, an extension of our sales and our marketing, the President must have fast-track authority. No other country will deal with it. It is quite apart from the World Trade Organization, which is about to have an important meeting in 1999. At that meeting we are all encouraging Ms. Barshefsky, our Trade Representative, or anybody else who might represent us, including the Secretary of Agriculture, to make certain that agriculture is at the top of the priorities. Normally agriculture is at the bottom of the priorities. And that will take some pushing and shoving, because a good number of other interest groups in our country will say, ''We don't want to hold up a deal with other countries due to their antagonism to agriculture.'' The most protected of all areas is still in agricultural trade.

So we have to have fast-track authority. We ought to be debating that if we are talking about agricultural income, and hopefully we will be debating that very soon on this floor.

Second, we must have International Monetary Fund reform. I start by ''reform,'' because I appreciate the comments that have been made in various meetings of our committees about how IMF operates. But we are also going to have to have refunding and replenishment for the IMF. The cupboard is almost bare. The possibilities are that the nations of the world—we contribute about 18 percent of that money, and it is good to have at least 82 percent contributed by others. The nations of the world may, indeed, come to the rescue of other nations very promptly. Commodity prices are down worldwide. We are discussing today the problem of agricultural prices in the world. But, if we were in another country at another time, we would be discussing the implications of low oil prices, or low copper prices, or the fact that a certain deflationary trend seems to have come over primary foods and materials throughout the world affecting the economies. Enormous flexibility and safety net situations are going to be required.

Third, the agricultural groups almost unanimously have talked about economic sanctions reform with a special emphasis on unilateral sanctions, the ones that we impose all by ourselves, and that we have imposed 61 times in the last 5 years and that have affected maybe $20 billion of American income and several hundred thousand American jobs.

Later in this debate on the agriculture appropriations bill, I will be offering as an amendment a sanction reform bill that deals prospectively; that is, just with the future, but at least sets in motion criteria for the administration and for Congress in considering unilateral economic sanctions and estimates as to their cost and a sunsetting provision that we can get rid of them after they have achieved what they were supposed to do. It is a modest amendment, but it is an important amendment in the sense of giving hope to farmers in America. Do we care about them enough to be thinking how the sale is going to be made, how marketing can occur with this most vital of humanitarian commodities, food supply.

Fourth, farm groups have called for establishment of normal trade relations with China. They have called for stronger oversight on biotechnology in negotiations with the Common Market and with others so that we are not denied the remarkable breakthroughs in our own science. They have asked for full funding of the agricultural research bill, and hopefully we will pass that as a part of this overall ag appropriations legislation.

Earlier, of course, the farm groups were instrumental in helping us all to come to passage of the agricultural research bill itself.

And 5 years of crop insurance provisions, which we now see were so critically important given the precarious nature of agricultural income due to weather and other events in so many parts of the country.

I would point out that act alone, the Ag Research Act, and the crop insurance provisions for 5 years were tremendously important in making a difference for agricultural income now as well as for the foreseeable future in our country.

The farm groups are calling for estate tax reform. Of anything that has come before our committee, that has had greater unanimity in terms of farm families, and these are the same family farms bandied about in the conversation all the time. They are saying, if we are going to have a family farm, we are really going to have to have estate tax reform and reduction and preferably abolition. Hopefully, that will come before the body.

These are elements of a successful farm policy. We are finally going to have to come down to the point of discussing the difference between selling the crop and storing the crop, and there is a big difference. What I and many others are advocating is that we sell, that we market, that we move the crop. A third of all that we do in agricultural America has to move; a tough job in the face of the Asian demands falling off precipitously but not impossible.

As I have pointed out, we are exporting to non-Asian countries 8 percent more now than we were doing in the 1996 record export year, and that did not happen by chance. It happened because agricultural marketers and farmers taking trade groups and personally visiting countries have done a remarkable job. We have to help that substantially, and we can. The policies I have talked about today are fully within our purview in the Senate to debate and to discuss and to enact.

Let me just mention that those of us on this side of the aisle know that there are no quick fixes, but we do know that action is important as well as rhetoric. Less than an hour after the Senate approved the sense-of-the-Senate amendment offered by the distinguished Democratic leader last evening, we gave final congressional approval to the broad exemption of agricultural products from India and Pakistan sanctions under the Glenn amendment. The Senate's action should allow U.S. wheat to compete in today's Pakistani tender for 350,000 metric tons of exports.

Yesterday, I joined nine other Senators from farm States in calling for action this session on the distinguished Senator from Iowa, Mr. GRASSLEY's Farm and Ranch Risk Management Act, which gives farmers important new tools to manage the variability of farm income. I am hopeful that will be enacted in this session.

Also, yesterday nine of us from farm States wrote the Secretary of Agriculture, Mr. Glickman, in support of actions which he can take now without legislation to increase exports of humanitarian food assistance. The CCC Charter Act provides authority for a wide range of Secretarial action, and our letter lays out how a new initiative could use existing funds to expand overseas concessional sales of wheat, vegetable oil, feedgrains and other commodities.

I ask unanimous consent that both of the letters enunciating these policies be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,

Washington, DC, July 14, 1998.

Hon. DAN GLICKMAN,

Secretary of Agriculture, Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: We have reviewed your July 7 letter to the Vice President, transmitting a draft bill to permit unobligated funds of the Export Enhancement Program to be utilized for food aid. We share your goals of enhancing U.S. producers' incomes through higher exports and augmenting our nation's ability to meet humanitarian needs throughout the world.

Without prejudice to your legislative proposal, we believe it may also be possible for you to take administrative actions, consistent with existing statutes, which will achieve many of the same purposes more expeditiously. We would like to share our reflections on this matter for your consideration.

The Commodity Credit Corporation Charter Act grants relatively broad powers to the Secretary to achieve stated purposes. These powers are not unlimited, but they do afford you considerable latitude of action.

In particular, Section 5 of the Charter Act instructs you to use the CCC's general powers for eight stated purposes. Among these

are to ''[p]rocure agricultural commodities for sale to . . . foreign governments, and domestic, foreign, or international relief . . . agencies . . .'' Another priority is to ''[e]xport or cause to be exported, or aid in the development of foreign markets for, agricultural commodities . . .''

The Charter Act's history suggests that these purposes may be achieved through programs and procedures that are similar to those which exist or have existed under other statutes. Thus, in the mid-1980s the EEP was operated for a time under Charter Act authority after the statute which then authorized EEP had lapsed.

We believe a fair reading of the Charter Act permits you to establish a program which would operate in the following manner. During a specified period (perhaps the last fiscal quarter as proposed in your draft bill), the Secretary could determine that all or part of funds authorized for EEP during that fiscal year would not be used. In this situation, the Secretary could authorize the use of CCC funds in an amount equal to the unused portion of EEP authority. The CCC funds would be utilized in a newly created Food Assistance and Market Development (FAMD), program.

The FAMD would be established under Charter Act authority to export agricultural commodities. CCC would purchase commodities at prevailing market prices for concessional sales to foreign buyers, whether public or private. The FAMD's terms and conditions would be similar but not identical to those for Title I of P.L. 480. Notably we would suggest that priority FAMD be given to market experiencing a temporary need for food aid because of macroeconomic or other problems, but likely to resume commercial purchases in future. Other priorities under the new program might be markets which have recently made political or economic reforms, as well as countries with which the U.S. has recently resumed diplomatic relations. It might be that repayment terms and grace periods would also differ from those under Title I, although all terms and conditions would need to be consistent with international norms for bona fide food aid. We intend these parameters to be descriptive rather than prescriptive, and acknowledge that you will want to tap the expertise of market development professionals in both USDA and the private sector in developing any new program.

We do note, though, that there is ample need for the American products which would be exported under this program. Title I funding has declined by roughly half in recent years. In correspondence which we earlier shared with you, U.S. producer groups identified potential non-emergency food assistance needs of about $150 million for wheat alone. Additional opportunities to assist developing countries and lay the groundwork for commercial relationships exist for vegetable oils, protein meals, feed grains, meats and other commodities.

In our judgment, you possess the authority to implement the program we have described. We will be happy to discuss further with you or officials of your Department the potential for moving quickly to assist needy populations and enhance U.S. farm exports.

Sincerely,

Dick Lugar, Pat Roberts, Larry E. Craig, Rick Santorum, Chuck Grassley, Mitch McConnell, Thad Cochran, Paul Coverdell, Jesse Helms.

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,

Washington, DC, July 13, 1998.

Hon. TRENT LOTT,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: We write to share our thoughts about one important way Congress can safeguard the future of our nation's family farms.

The FAIR Act is providing income support to agricultural producers. Because of its system of direct transition payments, farmers in 1996–98 will have received $7.6 billion more in federal assistance then would have been the case under an extension of prior law. We will join you in resisting any changes to the FAIR Act's basic provisions.

To prosper, however, the agricultural industry requires sound macroeconomic, fiscal and trade policies. In our recent meeting with national farm leaders, all of us heard these producers advocate fast-track trade authority, the reform of economic sanctions and other forward-looking initiatives. We thank you for your leadership in these and other areas.

The farm leaders also praised S. 2078, the Farm and Ranch Risk Management Act, which Senator Grassley introduced and all the undersigned Senators support. The FARRM Act will allow producers to save a portion of their farm income on a tax-favored basis in an effort to smooth out volatile income streams and minimize the risks involved in farming. If farmers and ranchers had been able to avail themselves of such FARRM accounts in recent years, the impact of this year's lower commodity prices would have been significantly mitigated.

Under S. 2078, eligible producers may take a deduction of up to 20 percent of taxable net farm income for FARRM account use. Interest income earned from the account will be distributed (and taxable) annually. Withdrawals of principal from the FARRM account will be taxed as ordinary income in the year the withdrawals occur. Money cannot remain in a FARRM account more than five years.

Thus, the FARRM account is not a retirement plan but a risk-management tool. Revenues in farming and ranching are notoriously volatile. We need only look at the wide swings in commodity prices between 1996 and the present to see that farmers need a range of ways to manage variable prices. The FARRM Act will let producers set pre-tax money aside during good years and then use it during years of financial stress. The responsibility to manage the account will rest with the producer, who is best able to assess his or her individual financial situation in a given year.

S. 2078 is a bold and innovative proposal. We seek your assistance in securing fair consideration for this important legislation, and hope that if the Senate acts on major tax legislation this year, S. 2078 will be included in any such bill.

Thank you for your consideration.

Sincerely,

Chuck Grassley, Dick Lugar, Larry E. Craig, Thad Cochran, Pat Roberts, Paul Coverdell, Phil Gramm, Dirk Kempthorne, Chuck Hagel, Kit Bond.

Mr. LUGAR. Mr. President, Republicans will continue to press for prompt action on appropriate legislative vehicles. We will join our House colleagues on both sides of the aisle in asking for a vote this year on fast-track authority, and we want to proceed with all Senators to move ahead on IMF replenishment and reform. We are hopeful of seeing passage of sanctions reform legislation.

We are determined to create additional demand for American farm products and thus higher prices and hopefully higher income. We are working with farm groups all over the country for implementation of those portions of the farm bill which have led to the lowering of costs, so that the bottom line in terms of net income for farm families might be more positive.

I share the general feeling in this debate that these are stressful times for millions of people in farm country. We have to address that up front and soberly. In these comments this morning, Mr. President, I have tried to illustrate that I believe the general outline of the farm bill has led to more income, more cash in these 3 years for farmers, and will in the next 4; that we have great possibilities, given Freedom to Farm, to do things on our farms that are most profitable guided by market signals. And finally, we have our work cut out for us in the Senate in dealing with the strengthening of our foreign trade position and the demand that we must have.

Not long ago, I heard a lecture using this same general idea, that a third of our sales now go abroad—a third exported of our farm commodities and farm animals. The suggestion was, as a matter of fact, that already a third of the world trade that we were doing was with Asia. We had hoped for more expansion, and that seemed on the horizon, given the rise in Asian incomes prior to this year.

Most of that third of the Asian trade is gone temporarily. We may have some success with this sale in Pakistan, and I hope that we will. Certainly, we are active as a Nation in South Korea, and there are some possibilities for sales there. The Indonesian market for the time being is devastated, and likewise not too much from Thailand, from Malaysia, and from other countries that have been afflicted.

If you take away a third of the third of income that already was exported, that amounts to about one-ninth the demand for all that we do. It is no wonder that prices have fallen, but it should be a wonder if we do not act to market, to sell, to move this grain and this livestock by originating new policies that make a difference in world trade, where our bread and butter will come in agricultural America.

For these reasons, I hope Senators will reject the amendment before us dealing with the marketing loan fix. In my judgment, it will be expensive, with money we do not have, it will depress prices rather than lead to an increase, and it will give the impression that this is in any way even a partial solution when, in my judgment, it will be a strong step backwards.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am delighted the chairman of the Agriculture Committee, the distinguished Senator from Indiana, has had an opportunity to make the case against this amendment offered by the Democratic leader, by Senator HARKIN, and by others. It is just as clear to me as anything can be that the weight of the evidence is against the passage of this amendment by the Senate.

One other point that I do not think has been made enough is that the purpose of this legislation we are dealing with today is to appropriate money to fund the Department of Agriculture programs, the FDA, and CFTC as well. We are not here to really pass judgment on the legislative authority for the Department's expenditure of money. This amendment, offered by the Democratic leader, purports to and intends to rewrite legislative language that was approved by the Congress in the 1996 farm bill and was signed by the President and implemented through regulations and administrative actions by this administration.

Our committee has the responsibility of determining how much money is needed to carry out that farm bill and what authorities we have in law to spend the funds that have been allocated to our subcommittee under the budget. So our responsibilities are really limited by law. If we decided to start rewriting provisions of the farm bill of 1996, that would be a never-ending ordeal for the Senate to put itself through. For that reason, the Senate ought to reject this first amendment that seeks to start that process. This is the first amendment offered to this bill that seeks to rewrite legislative authority of the Department of Agriculture to administer a farm program. If we start down this road this morning on this amendment, it may never end.

Think about this. When we were writing the farm bill of 1996, we had the best information, advice, and counsel from experts on agriculture programs at our hearings in the Committee on Agriculture. The House went through the same exercise. The administration was actively involved. There was give and take. There was compromise. But, in the end, we developed a consensus of what ought to be done to put our country on a firm footing of legal authority for programs that would support agriculture. So the end product was the 1996 farm bill. If we start trying to undo it and rewrite it piecemeal, section by section, we are going to have the biggest mess on our hands you could ever dream of.

So the Senate ought today to vote for the motion to table, which I will make in due course, when time has expired or when all time is yielded back on this amendment. I hope the Senate will reject this amendment.

The PRESIDING OFFICER. Who seeks time?

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum and suggest the time should be charged equally between the proponents and opponents of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. 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. HARKIN. Mr. President, how much time does this side have remaining?

The PRESIDING OFFICER. The Senator has 44 minutes 55 seconds.

Mr. HARKIN. I yield myself 20 minutes, to begin with.

The PRESIDING OFFICER. The Senator is recognized for 20 minutes.

Mr. HARKIN. I listened, of course with great interest and intent, to the comments by the distinguished chairman of the Agriculture Committee, my good friend from Indiana. I am privileged to serve as his ranking member on the Agriculture Committee.

I think, first of all I will just respond to that and also to the statement made by the chairman of the Agriculture Appropriations Subcommittee about, ''My gosh, we passed the farm bill in 1996. Here we are, do we want to rewrite it?''—and all that kind of stuff—''We should not open it again right now. It's the third year we are in it.''

The 1996 farm bill is not the Ten Commandments. It was not written in stone for all time. We have a crisis impending on us in agriculture. The bottom is falling out. Prices are going down every day. Are we so stuck in our ways here, are we so wedded to some ideology imprinted in the 1996 farm bill, that we cannot respond?

''Oh, I am sorry. We see you are losing your farms. We see the prices going down. But, I am sorry, we passed a bill here 3 years ago and we cannot touch it.''

Again, we are not really opening up the farm bill. We are simply making one minor change. Loan rates were capped in the 1996 farm bill—capped, frozen; they are still there. We are not introducing something new into agricultural legislation. It is simply that a decision was made to cap them.

That is OK. That was OK for the last couple of years, because grain prices have been relatively high. But now when the bottom is falling out of the market for a variety of reasons, now is the time when farmers need a little bit of assistance. What kind of assistance? They need flexibility.

We hear a lot about that word, ''flexibility.'' In the 1996 farm bill, it did give farmers flexibility in planting decisions. That was a good part of the 1996 farm bill, a concept that was supported by everyone. But how about flexibility for the farmer to be able to decide how to market their crops? That is what we are trying to do by raising the caps on the loan rates—to give the farmer the ability to harvest the crop, get a loan on that crop to pay the bills, and then be able to market that crop when the farmer feels it is most advantageous over the next 15 months. That is called flexibility, Mr. President, flexibility—to give the farmer some flexibility in marketing.

What I am hearing from the other side now is, ''No, we don't want to give that farmer flexibility. We want to give the farmer flexibility in what to plant. But when it comes time to market, he is at the whims of the marketplace, of weather, of other countries and what they do, over which we have no control.'' That farmer is at the whims of the disastrous Asian economy. We cannot even give that farmer a little bit of support to give him the flexibility to market over 15 months? What nonsense. What utter, absolute nonsense.

Thousands of farm families are facing severe economic hardships. They are in danger of losing their livelihood, their life savings. Just yesterday, the Senate went on record with a sense-of-the-Senate resolution saying there is a great economic crisis in agriculture and calling for immediate action by Congress: 99 to nothing. Nice words on paper. But now, here is the first vote to implement that sense-of-the-Senate resolution that we passed yesterday.

We are for the first time trying to raise the caps on the loan rates to give the farmer the flexibility to market, and now we can't even give them that much. We can't even do this modest step. What did that sense-of-the-Senate resolution mean?

Mr. President, I offered that sense-of-the-Senate resolution along with Senator DASCHLE. It passed 99 to 0. I am wondering, if we can't even do this modest little step to help our farmers out, maybe we ought to recall that amendment. Maybe we ought to have another vote on it and this time vote it down. Why give all this flowery support that we are going to help agriculture? There is a problem out there and on the first vote, ''I am sorry, the farm bill is written in stone; we can't touch it.''

What we are proposing is a quite modest and reasonable response to try to prevent the farm situation from becoming any worse and to help turn it around. Quite frankly, I am a little embarrassed at the modesty of our proposal, but we thought in order to minimize any opposition, we would keep it limited. We are not proposing any radical changes in farm policy. We are not opening the floodgates of the Treasury. We have been very careful in that respect.

I must confess, if we cannot manage to adopt even this modest amendment today, it will speak volumes about the willingness of this body to respond to the dire situation in rural America that we just recognized yesterday in a sense-of-the-Senate resolution.

I underscore that the rural economic crisis is not the fault of America's farmers. We have a world situation where large supplies of commodities

have combined with weakened demand, with a terribly depressed Southeast Asian economy that has driven commodity prices lower. In the last 2 years, farm level prices for corn, wheat and soybeans have declined 39 percent. Cattle prices are 20 percent below the level earlier this decade. Hog prices for the first half of 1998, are the lowest seen in 20 years. On top of that, numerous regions have experienced bad weather and crop diseases that have devastated our farmers.

As of yesterday, a farmer would receive a price of $2.50 a bushel for wheat at a country elevator in Dodge City, KS. At that price, the average Kansas farmer with about 350 acres of wheat in the ground right now will suffer a loss of more than $40,000 over his cost of production. And we are telling that farmer we can't do anything to help him?

With the average corn market price announced by USDA on July 10, the typical Iowa corn farmer will be losing more than 35 cents of every bushel of corn he markets, even considering the modest Government payment that he is going to receive under the 1996 farm bill.

Mr. President, 32 of 50 States have suffered declines in farm income in 1996 and 1997. Here it is, 32 of 50 States: North Dakota, 98 percent; Iowa, down 16 percent; New York, 44; Pennsylvania, 32 percent; Kentucky, down 29 percent; Tennessee, loss of 28 percent; Missouri, down 72 percent. That is what is happening. That is the loss in farm income, according to Dept. of Commerce figures. As I noted yesterday, Standard & Poor's Index for Wall Street has gone up 36 percent in the last year. Look what has happened in agriculture. And yet we can't do anything? Not even this modest, little increase in loan rates?

If the price estimates released July 10 by USDA hold up, lower corn and soybean prices will cause an additional loss of farm income in my State of Iowa alone of over $1 billion this year. That translates into 19,000 jobs in my State affected directly or indirectly by agriculture.

On a national basis, this year's crisis will strike a severe blow. USDA estimates suggest that 1998 farm income will fall below $50 billion, 13 percent lower than it was in 1996. With the season average corn and rice projections being lowered 6 percent in July, that number is going to fall even more. The $5.2 billion decline in farm income could translate into a loss of nearly 100,000 jobs in the agricultural sector and ag-related businesses.

Mr. President, 1998 total farm debt is estimated to amount to $172 billion, the highest level since 1985. For those of you who don't remember 1985, let me refresh your memory. That was the height of the farm crisis. From 1985 to about 1988, hundreds of thousands of farmers lost their farms in the United States. It devastated rural America. It took us, well, almost the next 10 years to climb out of it. Now that we are getting out of it, farmers are hit once more.

We are going to have a huge farm debt again this year. We are going to have another wave of farm foreclosures and farm losses. Families are losing the equity they have built up in their farms. Those who survived the 1980s and thought they had it made because they weathered the worst financial crisis in agriculture since the 1930s are on the edge and they are getting pushed off.

Farm families and communities are facing an emergency, and we in the Senate must act, as we have traditionally done when emergencies strike.

It is important that all Senators understand what our amendment does. It focuses on the level of the loan that a farmer can take out on farm commodities after harvest using the crop as collateral. This loan allows the farmer to pay the bills, as I said, and retain the crop for up to 15 months so they can market it in a flexible manner. It let's the farmer make the decision of when to sell rather than being forced to sell because the bills are due. You can think about this amendment as the ''flexibility to market'' amendment.

The formula has been around for a long time. As I said, there is nothing new about this. It is in the farm bill: 85 percent of the 5-year average, throwing out the high and the low years. That is the basic formula, 85 percent.

The distinguished Senator from Indiana went on at great length talking about how we don't want this loan rate set so that it will influence farmers to make their planting decisions, because if the loan rate is too high, then the farmer plants for the loan, not for the market.

I have three observations on that. First of all, this amendment only covers the 1999 Fiscal year. We re talking about crops that are already planted, for the most part. So how can a one-year amendment have any substantial influence on farmers' decisions about what to plant next year? I think perhaps people who have been speaking against the amendment don't understand that. It is only for one fiscal year.

Even assuming somehow psychologically it did because the farmer might say, ''Well, I got that loan this year and if things remain bad next year, maybe they will do the same thing next year, so, therefore, I will make my planting decisions based upon that possibility'' that is ridiculous in the extreme. Why? Because, first of all, this loan rate is only 85 percent of the last year 5-year average, throwing out the high and low years—85 percent. For corn right now, the farm bill cap is $1.89 a bushel. Our modest amendment would remove that rate, raise it to $2.19 for this crop year. Wheat right now is capped at $2.58 a bushel. Removing the cap would put the rate at about $3.22 a bushel. Both of those are way below the cost of production.

If you are a farmer, and you are making planting decisions based upon the loan rate, then what my friend from Indiana is saying is that the farmer is going to plant more corn to get a loan rate that is lower than his cost of production. It reminds me of the old joke, the old saw we always hear around my State about farmers. Someone asked the corn farmer how he expected prices to be? He said, ''Well, I hope to at least break even because I need the money.''

According to the Senator from Indiana, raising the loan rate to $2.19 would somehow encourage a corn farmer to plant corn. Nonsense. That is way below the cost of production and no farmer would ever do that. They are going to plant based upon what they think they can get in the market next year.

So those are two things. First of all, our raising the caps only apply to this upcoming fiscal year; secondly, there is no way that this modest raising of loan rates will in any way influence any farmer to plant for the loan. In no way would that do that.

And third, I must again remind our Senators and others that in agriculture—I do not know why we never learn the lesson of ag economics—a farmer has a fixed amount of land, he has fixed machinery, he has a lot of fixed input and equity costs. If prices drop, there are those who say, ''Well, see, that will send a message to the farmer. If the prices go down, they will plant less of that crop next year.'' That is not so. Because when you have your fixed base and your fixed amount of land and your machinery, if prices go down, your first impulse is to get more production out of that unit of land. Maybe you will check on fertilizer prices. Maybe you will put on a little more fertilizer. Maybe you will put the rows a little closer together. Maybe you will do some other things. Maybe you will plant a little more on some land you did not want to plant on because you already have the machinery out there.

The marginal cost of production for an additional acre of corn, if you are already planting 500 or 1,000 acres of corn, that marginal cost of planting that extra 20 acres or 50 acres is minimal. Yet, if you can raise your production, well then, that will take care of the lower prices. But that feeds on itself.

I predicted 2 years ago, when the 1996 farm bill passed, that that is exactly what would happen: We would see increasing production. Hopefully, the price would stay up. But if other countries' economies went to pot—and we saw a couple years ago that it looked like that might happen—well, then, prices would drop. And how would farmers respond? They would plant more and produce more. And that is exactly what has happened—exactly what has happened.

We probably have a record production of soybeans this year, near record production of both wheat and corn. But

somehow people just think that agriculture is just like making widgets. And it is not. It is a lot different.

This amendment is very modest—very modest. We are not proposing to change the 1996 farm bill in any way. As I said, this provision is in the 1996 farm bill. It is just capped. We are just raising the caps. We are not interfering with planting flexibility, for farmers to make their own decisions. In fact, we are enhancing the flexibility of farmers to market their commodities when it is advantageous for them to do so.

Then, I know we keep hearing the old refrain about keeping Government out of agriculture.

The PRESIDING OFFICER (Mr. GREGG). The Senator has used the 20 minutes yielded to him.

Mr. HARKIN. I yield myself another 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARKIN. So we hear the old refrain, get the Government out of agriculture; give the farmers more freedom. That is what this amendment does. If that is what you like, this amendment gives the farmers more freedom. I just ask my colleagues, what kind of freedom do they have in mind when they talk about giving farmers freedom? The freedom to be forced out of business by events beyond their control?

As I said yesterday, I read a comment in the newspaper by one of my colleagues here who said they wanted to give farmers more ability to manage their destiny. I said, I do not understand that. How can my corn farmer in Iowa manage El Nino? How can my soybean farmer in Iowa manage the disastrous Southeast Asian economy? How can our wheat farmers manage the subsidies that other governments give their wheat farmers to compete unfairly with us? How can those wheat farmers manage the disastrous scab disease that we have had in some of our northern Great Plains States? These are all events that are beyond their control.

Is this the kind of freedom that my colleagues have in mind for farmers? To be forced out by events beyond their control? The freedom to be forced to sell their crops at a loss because they cannot afford to hold onto them or get a decent loan to be able to market it when prices improve a little; is that the kind of freedom we have in mind? Is the freedom that my colleagues have in mind the freedom to struggle at poverty-level income while growing the food for our Nation? Is it the freedom for farmers to take less and less and less of the consumer dollar? Is that the kind of freedom they have in mind?

Well, we have heard a lot of arguments on this amendment. It has been claimed that farmers receive more money under the 1996 farm bill than they would have under the continuation of the 1990 farm bill. That is true for the last 2 years when commodity prices were high. You have to understand, in the 1996 farm bill we gave farmers all the planting flexibility, but there was this payment called the Agriculture Market Transition Act payment, AMTA payments, without any payment limitations. No matter what farm income was like, you got a paycheck. I always thought that was kind of ridiculous.

I had a farmer come up to me once in Iowa last year, after the previous year's crop, and he said, ''Gee, I had one of the best years I have ever had. I had a great year, and I got a paycheck from the Government. What are you people thinking about?'' See, I always thought that Government safety nets ought to be there when prices were low. If a farmer can make their money from the marketplace, that is the way it ought to be. But when there are events beyond their control, like bad weather and bad markets and interference by foreign governments, that is when the Government has to come in with a safety net.

The last couple of years farmers got Government payments. But for this year—when prices are in the tank—for wheat farmers they will have less income protection than they would have had under the 1990 farm bill. According to current USDA price estimates, per-bushel payments to wheat farmers would have been 40 percent higher under the 1990 farm bill than they are scheduled to be under the 1996 farm bill this year. That difference would amount to nearly $22,000 for a farmer with 1,000 acres of wheat.

One might infer that these farmers got these Government payments, and they could have taken these payments and sort of invested them and put them in the bank, so to speak, to get them through this year. Sounds nice. But is that really what happened? Hardly.

First of all, a lot of farmers were paying off buildup debt, No. 1. They used the payments for that. No. 2, what happened was, a lot of farmers who rent found that their landlords increased the rent. Why? Because the landlords knew the farmer was going to get this Government paycheck, knew exactly what he was going to get. So the landlords raised the price of rent. Consequently, a lot of farmers did not even see the Government payment that came out in the form of that cash payment under the 1996 farm bill. A lot of farmers did not even get that money. But I will tell you who did get the money. The big farmers. The larger the farmer you are, the bigger the check you got over the last couple of years. And the larger the farmer you are, the better able you are to go through periods of stress.

So it was all kind of screwed up. The bigger farmers got the most money over the last 2 years when prices were high. Now, when prices are low, our smaller farmers can't get enough help. The bigger farmers are able to get through it because they have more equity.

Now we are going to say we can't even modestly raise the loan rates? I don't know, but I would think wheat farmers out there who are suffering would say they could use the ability to market their wheat over the next 15 months rather than have to sell this fall. Right now, the wheat loan is $2.58 a bushel. We are just asking to raise it to $3.22 a bushel. That is not a lot of money, but it might be a little bit of help.

As I said, I think we checked the wheat in Dodge City, KS, yesterday—$2.50 and going down. The first of July, it was $2.64. Now it is down to $2.50 and going down every week. So our wheat farmers and our corn farmers need some help.

I talked about farmers getting less and less of the share. This chart shows the farm share of the retail beef dollar, going down all the time. So for every dollar, when you buy that steak or you buy that hamburger, the farmer is getting less and less from the dollar you spend for it. Here is the pork dollar. Every time you buy a pork loin roast or one of our delicious Iowa chops—if I can put in a plug for that—our pork farmers are getting less and less of that dollar you spend for pork.

Here is the wheat prices—farm-level wheat price. Here is when the Freedom to Farm bill was enacted. Here are the wheat prices, going down, over the last couple of years. Same thing for corn. Here we are coming up to Freedom to Farm; down it comes. So corn prices are going down, also.

There is a crisis out there. We are not talking about increasing consumer food costs or livestock feed costs, nor are we going to price the United States out of world markets. If the price of the commodity is below the loan rate, the farmer can sell at that lower price and repay the loan at the going market price. So the marketing loan does not prop up the U.S. price among world market prices. Hence, there is no adverse impact upon U.S. competitiveness because of this amendment.

Taking the cap off will help our farmers stay in business. The fact is, it may be the only thing that will keep them in business for another year.

Again, we have heard all these arguments, but for the life of me, I can't understand—I can't understand—why we on one day can say there is a crisis in agriculture, Congress has to respond, and 99 Senators vote for that; the next day, we want just a modest increase in the loan rates to help, and we can't do that? I hope that is not so. I hope we do this today.

Lastly, I heard the distinguished chairman of the Agriculture Committee talking about getting fast-track legislation through, as if somehow that is going to help prices this year. Even if fast track were to pass this year, it would take several years to conclude agricultural talks. I point out, the last Uruguay Round of multilateral talks took 7 years. Keep in mind, even if we got fast track through, that is not going to mean a darn thing for 3, 5, 6, 7 years. That will not help this year—not going to help a bit.

Second, the crisis is now, not 7 years from now. It is right now. Sometimes we have short memories around here. We talk about, yes, we will do all this stuff; we are going to get our trade going again.

The PRESIDING OFFICER. The time the Senator requested has expired.

Mr. HARKIN. How much time do I have left?

The PRESIDING OFFICER. The Senator has 14½ minutes.

Mr. HARKIN. I yield myself 2 additional minutes.

In addition, my colleague from Indiana worries about the potential implications for stocks from this amendment. World grain reserves right now, as a percentage of consumption, are at historically low levels. I believe the American people would be appalled to learn that our Government holds virtually no food in reserve to help us out if we ever have a widespread crop failure.

The chairman suggests that if the Government holds this grain, it stays over the market and depresses prices. Not if you have a government reserve withheld from the market—absolutely not true. But this concept of having a modest reserve is not a new idea. Someone said it began with the Roosevelt administration. This is a Roosevelt New Deal idea, to have a grain reserve, and, as such, we had to do away with it because it was a New Deal idea and we don't need all that stuff around anymore.

The concept of a grain reserve is as old as the Book of Genesis. Surely my colleagues remember the story of Joseph interpreting the dream of the pharaoh, that there would be 7 good years followed by 7 lean years and that food should be stored during the 7 good years to feed the people when the bad years came.

It was true at the time of Genesis and it is true today that we need some food set aside in this country and around the world to meet exigencies. For the life of me, I can't understand why people want to ignore history. We ignore it at our own peril. Ignore it, and we will lose more and more farmers, and we will see a day come when there will be panic because we will have those lean years and we won't have any food to help feed our hungry people.

I yield the floor.

Mr. COCHRAN. Mr. President, we are getting to the point where I think the Senate should seriously consider preparing for a vote on a motion to table this amendment. I know the time continues to exist on both sides, but I am hopeful we can yield back whatever time has not been used as soon as everybody who wants to talk has had a chance to talk.

We don't want to cut anybody off. I am not going to do that. I am just expressing the hope that if everybody has had their say on this amendment, and we have had arguments on both sides—we had a very strong, convincing argument by the distinguished Senator from Indiana, the chairman of the Senate Agriculture Committee; we have had discussions on the Democratic side by four Senators that I recall speaking in support of the amendment; Senator DASCHLE talked in support of the amendment yesterday when he offered the amendment—so I am hopeful that those who want to speak will come to the floor and speak on this amendment and then we will have a motion to table and a vote.

I think the time expires sometime a little after 2 o'clock. We had 3 hours on the amendment. That is just a request. I hope Senators will respond to that request so we can make progress to complete action on this bill today.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I inquire of the chairman, I understand we have one other Senator on this side who would like to come down and speak.

Mr. COCHRAN. We will be glad to accommodate that.

Mr. HARKIN. I want to inquire of the chairman—obviously it is well within his right to move to table—why can't we have an up-or-down vote?

Mr. COCHRAN. It is in the order. We negotiated that last night.

Mr. HARKIN. I thought perhaps the chairman might be willing to place this matter for an up or down vote, rather than vote on a motion to table.

Mr. COCHRAN. It was in the unanimous consent agreement. We can get the clerk to read it.

Mr. HARKIN. I am sorry if I am impeding the business of the Senate in raising this question.

Mr. COCHRAN. It was contemplated I would move to table the Daschle amendment. That is what the Democratic leader understood. We talked about it last night. It was in the order as entered last night—3 hours of debate on the amendment—and that is what we are operating under.

I want to remind everybody that it is my intention to move to table and to have a vote.

Mr. HARKIN. It is fully within the chairman's right to do that.

Mr. COCHRAN. It is not any reflection on anyone.

It is certainly not personal.

Mr. HARKIN. I understand that. I hope we have an up-or-down vote.

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Kansas, Mr. ROBERTS.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, I thank my distinguished friend, the esteemed chairman of the Appropriations Subcommittee. Let me say how much I appreciate his perseverance and patience as we work to try to get what I think is a very good agriculture appropriations bill.

I made some remarks yesterday. I will not take up much time of the Senate to go over that again. But I do have some comments, more especially as to the criticism by those across the aisle in regard to the loan rate and in regard to the Daschle amendment which, I understand, is intended to be of help to the farmers and, more especially, the farmers in the northern plains who are going through a very difficult time.

Mr. President, we have heard that there is no longer a ''safety-net'' for America's farmers. Advocates of this position argue that we must extend marketing loans and remove the caps on loan rates. Based upon recent figures, it is estimated the loan rate for wheat would rise to $3.17 per bushel from its current level of $2.58. However, when you add the transition payments of 63 cents per bushel on the historical base that farmers are receiving for wheat, you have a new safety net of $3.21. We are told raising the loan cap will cost nearly $1.5 billion for one year. And, if we were to come back and make the increase permanent, we are told it would cost $3.5 billion to $4 billion over five years. Why should we approve amendments that will bust the budget when they provide a lower safety net than the current program?

Raising and extending loan rates will not improve prices and producer incomes. Extending the loan rate actually results in lower prices in the long-run. Extending the loan for six months simply gives producers another false hope for holding onto the remainder of last year's crop. Farmers will be holding onto a portion of the 1997 crop, while at the same time harvesting another bumper crop in 1998.

Thus, rolling over the loan rate actually increases the amount of wheat on the market and results in lower prices—not higher prices. Since excess stocks will continue to depress prices, will we then extend the rate again? It will become an endless cycle that will cost billions of dollars, and which will eventually lead to a return to planting requirements and set-aside acres in an attempt to control agricultural output and limit the budgetary effects. Where will we get the offsets the Senate and House will require?

Extending and raising loan rates will only serve to exacerbate the lack of storage associated with the transportation problems in middle America, because it simply causes farmers to hold onto their crops and fill elevator storage spaces. Kansas just harvested its second largest wheat crop in history and there are predictions of record corn and soybean crops in the fall. If we do not move the wheat crop now, it will create transportation problems in the fall that will surpass anything we experienced last year.

I feel it should also be mentioned that advocates of higher or extended loan rates argue that it will allow farmers to hold their crops until after the harvest when prices will rise. To those who advocate this position, I would point out that Kansas State University recently published a report

which looked at the years 1981 through 1997 and compared farmers earnings if they held wheat in storage until mid-November versus selling at harvest. In all but five years, farmers ended up with a net loss as storage and interest costs exceeded the gains in price. Simply put, extending and raising the rates provides a false hope for higher profits that most often does not exist.

Mr. President, we must ask what is the purpose of loan rates? Are they intended to be a marketing clearing device or a price support? They cannot be both as the other side of the aisle would. And, if we set price at $3.17 it very well may become a ceiling on price.

Mr. President, raising loan rates is simply not the answer. We need to continue on course and continue to pursue the new trade markets and tax relief that farmers need. And, as I mentioned yesterday, I would remind my colleagues of the meeting 14 Senators had with 12 major farm organizations approximately one month ago. At the top of every organizations wish list was trade, trade, and more trade.

Mr. President, I mentioned yesterday that I like to think I have spent more time on the wagon tongue listening to our farmers than any Member of Congress. And, farmers tell me to leave loan rates alone. They want export markets opened. They want sanctions that shoot them in the foot removed. These are the policies we should be pursuing, not the policies of the past that put our farmers at a competitive disadvantage in the world market.

Mr. President, I ask unanimous consent that two articles, which fit within the restrictions of Senate rules, by Pro Farmer's Washington Bureau Chief Jim Wiesemeyer, be printed in the RECORD. One is regarding failed policies of the past, and the second one is regarding trade policy.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Inside Washington Today, June 18, 1998]

POPULIST DEMOCRATS AGAIN PUSH FAILED POLICIES OF THE PAST

(By Jim Wiesemeyer)

Saying ''I told you so'' to any lawmaker and any person or farmer who either voted for or pushed for the 1996 Freedom to Farm legislation, a group of decidedly populist Democrat senators on Wednesday railed at the omnibus farm policy contained in that legislation and said it was that measure and not trade problems which alone is the reason for slumbering U.S. commodity prices.

The group of naysayers to Freedom to Farm who showed up at a press briefing with very few answers to questions were: former House Speaker and very likely presidential candidate Rep. Dick Gephardt (D-Missouri), Senate Minority Leader Tom Daschle (D-S.D.), and Democrat Sens. Tom Harkin (Iowa), Paul Wellstone (Minnesota), Kent Conrad (N.D.), Tim Johnson (S.D.) and Byron Dorgan (N.D.).

What they said and didn't say: Headed by Daschle, the group squarely and wrongly laid the blame for the current farm price doldrums with the Freedom to Farm concept enacted into law in 1996 and signed by President Bill Clinton who did not receive a veto recommendation from his Secretary of Agriculture Dan Glickman.

Displaying price charts showing the decline in commodity prices since 1996, the lawmakers took turns ''briefing'' the Washington press corps (but very few took questions), claiming the 1996 Farm Act failed and they could all say ''I told you so'' to those who voted for the package.

''This was radical, extreme policy brought on by (House Majority Leader) Dick Armey (R-Tex.), Gephardt charged. Others at the gathering quickly chimed in to say it was merely a ''Republican farm bill.''

Sen. Wellstone pledged an ''all-out, full-court press'' to get the following four main components of the group's plan enacted into law: dramatically increasing commodity loans rates and allowing 6-month loan extensions; addressing livestock concentration and requiring labels on imported meat; waiving of sanctions on agricultural trade; making indemnity payments to farmers.

Where's the proof? The senators cited dramatic downturns in farm income but based that on data from the Bureau of Economic Analysis (Commerce Department) regarding personal income derived from farming.

The group should have referred to a recently completed USDA analysis of spring wheat farms in the Plains states. That survey shows that in 1996, the average net cash farm income for these spring wheat farms was $37,500; in 1997 it was $14,500; and a projected 1998 net cash farm income of only $5,000.

The USDA info clearly shows pain, and a crisis for spring wheat producers in a specific area of the country. But as one USDA official told me this morning, ''Do we have a crisis in U.S. agriculture today or a regional crisis, and if we do, what is the best way to deal with it?''

Certainly a blunt instrument of help would not be to jack up wheat loan rates to over $4 as proposed by Sen. Conrad.

Populist Democrat senators didn't note popular Freedom to Farm transition payments. USDA data show that for the 1996, 1997 and 1998 crops (combined), Freedom to Farm legislation will provide $7 billion to $8 billion in additional payments to farmers that would have been the case under the prior farm policy. Talk about indemnity payments!

Sure, if loan rates would not have been capped via the 1996 farm bill, there would have been a larger cash infusion this year especially for wheat producers, but certainly not the prior two years relative to those payments I previously mentioned, and when wheat prices were higher to much higher than current values.

I asked several USDA analysts to list reasons why U.S. commodity prices are lower. They listed the following two major reasons:

1. Lack of export growth.
2. Good grain crops around the world the last three years.

What does the above have to do with Freedom to Farm? Nothing.

Questions for the populist senators. While the senators didn't take much if any time to answer reporter questions, here are a few they should ponder:

Rep. Gephardt labeled Freedom to Farm legislation as a ''radical extreme policy brought on by (House Majority Leader) Dick Armey'' (R-Tex.).

Question: Since you will very likely run for president in the year 2000, why didn't you say that President Clinton should have vetoed the farm bill? Why didn't you say that USDA Secretary Glickman should have recommended a veto?

Another question: Rep. Gephardt in the 1985 farm bill debate, along what Sen. Harkins, pushed mandatory supply controls. That was soundly repudiated by Congress, which just so happened to be controlled at the time by Democrats. If there is one major aspect of Freedom to Farm that most non-dissident farmers love, it is the planting flexibility contained in that legislation. Do you agree?

Sen. Byron Dorgan said the group ''didn't have the details'' regarding their proposals and thus did not know the costs. ''We're working on a number of things,'' Dorgan said.

Question: It would be costly, and not just in budget outlays, but in a return to failed farm policies of the past. Why don't you agree?

A specific question for Sen. Dorgan: You keep pushing for targeted farm program payments, having done so for what appears to be over 10 years. Some analysts told me to ask you, ''What chances do you think of this happening? And are they simply to provide feel-good comments for the folks back home?''

Questin to all Democrats: Many Democrats in Congress honestly say they are showing some fiscal discipline. But to propose major changes in farm policy without any budget assumptions runs counter with the previous goal. Question: What are the costs? And to the extent the agriculture committees boost spending on any of the Democrat senators' proposals means a budget offset would have to be found. What will be cut to pay for your proposals?

Sen. Harkin said that by just removing the loan cap on wheat, prices for wheat would be 25% higher than current levels and corn prices would be up 20% from their current level. Question: U.S. commodities are already having trouble competing in the export market, why do you think higher prices at this time would bode well for exports? And would this not also provide incentive for increased production for wheat and corn outside the United States, as was the case under prior U.S. farm policy when loan rates (not an income transfer tool) were set much higher than market-clearing levels? And, wouldn't such a scenario cause prices to eventually be lower than the track they currently are on?

Also, why wouldn't pushing prices far above market-clearing levels result in government-owned surplus wheat that no one wants and lead to calls for a return to an ever upward spiral of set-aside requirements to slow the growth in the mountain of government-owned grain? Usually the answer is, ''Marketing loans will take care of that?'' But that raises the question again: ''At what cost?'' And if marketing loans shouldered those significant costs, wouldn't they be seen as a subsidy by the rest of the world and completely undo many years of work on trade issues and renew the race toward subsidized production and subsidized exports worldwide?

What many farmers say are the big-ticket issues: Ask a group of farmers what their long-term issues and concerns are and you will surely find disagreement, but based on many conversations with this great industry, they boil down to the following three areas:

1. Taxes.
2. Environmental regulatory reform.
3. Trade issues (sanctions, denied market access, etc.).

To repeat, farmers in the Northern Plains are hurting and hurting bad. I met Wednesday with several North Dakota farmers at the Washington office of the National Farmers Union. It didn't take many testimonials to feel their pain. As for the reasons why, they centered on low yields, scab and drought—compounded by those events happening in successive years with a crop insurance program unable to cope with those events. Solution: fix crop insurance.

Is this just an aberration of bad luck? Or, should the United States come up with a regional assistance program rather than changing comprehensive U.S. farm policy?

Northern tier farmers need help, but they're certainly not going to get it based on the political-platform briefing the stated Democrat senators provided on June 17.

We asked USDA Secretary Glickman to comment on remarks the Democrat senators made Wednesday. Glickman said current farm policy needs some modifications to address low prices and growing problems in some regions.

''I think the best view is to not engage in recriminations, but to recognize that there are strengths and weaknesses in the Freedom to Farm legislation,'' Glickman said. 'One of the weaknesses,'' he added, ''is the inability of my office to respond when prices are weak and supplies are high. I think that Freedom to Farm needs some modifications to it, and we're working on it now.''

Asked how much in payments farmers have received in the past several years under the Freedom to Farm compared to what would have been the case under the previous farm policy, Glickman replied, ''Many billions (of dollars)—I can't tell you how much. (I've provided him the answer, above.) The first two years (of current farm policy), there was much more (paid to farmers via market transition payments) than (would have been the case) under the old program. This year, it's hard to tell, but I think in some of the crops it might be less.''

Regarding current prices and global supply and demand, Glickman said grain supplies are high for a lot of reasons—Asian markets are weaker and higher U.S. dollar valuations have reduced exports, resulting in higher domestic supplies.

Also, Glickman said he lacks the marketing tools available to previous ag secretaries.

''I don't have the power to deal with the marketing of commodities in the way that prior (USDA) secretaries have had,'' Glickman stated. ''I think those things need to be fixed.''

Glickman pointed out that the lack of federal disaster programs for farmers and a crop insurance program that works better in some parts of the country and not so good in other regions as a difference in the tools he has available versus previous USDA chiefs.

''So, without any kind of intermediate assistance,'' Glickman concluded, ''it makes it difficult to respond to certain conditions in some regions of the country that have been currently (adversely) affected.''

Bottom line regarding the populist Democrat senators' proposals: A wise man once said that one form of insanity is doing the same thing over and over and expecting a different result.

[From Inside Washington Today, June 19, 1998]

FAST-TRACK APPROVAL PART OF TOP AG AGENDA

[By Jim Wiesemeyer)

What a difference a day and different senators make when it comes to the focus of U.S. agriculture and trade policy. Thursday we highlighted the drive by some Democrat farm-state senators to change U.S. farm policy to address the current very low price and income situation in parts of the country but especially the Northern Plains. Their plan focused on higher loan rates, extending commodity loans and making indemnity payments to producers.

By stark contrast, some Republican farm-state Senators Thursday morning met with 12 farm and commodity groups to prioritize the farm policy agenda. These lawmakers and farm group representatives did not recommend wholesale if any changes to the 1996 farm act. Instead, they focused on what can be done in trade and trade policy to keep U.S. agriculture products moving to overseas markets.

Republican senators huddle with farm commodity groups on priority agenda. In a meeting Thursday with major farm groups, the session concluded with the following list of priorities: Reauthorization of presidential fast-track trading authority; IMF funding and reforms; passage of sanctions reform legislation; Most Favored Nation (MFN) trading designation for China; stronger oversight on GMO and biotechnology negotiations; full funding for Sen. Dick Lugar's agricultural research bill; estate tax reform; and reform of the farm savings system

Farm groups represented at the session: American Farm Bureau Federation; American Soybean Association; National Association of Wheat Growers; National Barley Growers Association; National Corn Growers Association; National Cattlemen's Beef Association; National Cotton Council of America; National Grain Sorghum Association; National Grange; National Oilseed Processors Association; National Pork Producers Council; and National Sunflower Association.

Senators participating in the agenda-setting confab: Majority Leader Trend Lott (R–Miss.); Senate Ag Committee Chairman Dick Lugar (R–Ind.); Senate Ag Appropriations Chairman Thad Cochran (R–Miss.); Pat Roberts (R–Kan.); Conrad Burns (R–Mont.); Larry Craig (R–Idaho); Craig Thomas (R–Wyo.); Rod Grams (R–Minn.); Chuck Grassley (R–Iowa); Dick Kempthorne (R–Idaho); Chuck Hagel (R–Neb.); Wayne Allard (R–Colo.); and Mitch McConnell (R–Ky.).

What was said and wasn't said: ''Farmers and ranchers tell us they don't want the government back in their back pockets,'' says Sen. Burns. ''That means doing everything we can to open up markets to them and to provide more of the agricultural dollar to the producer level. We've also determined that while trade is very important, issues such as fast track are worthless unless the (Clinton) administration commits to sending trade negotiators abroad who are sensitive to the needs of agriculture.''

Burns said that while income averaging and some estate tax relief has come for farmers, more still needs to be done.

Sen. Lugar says the group agreed that ''the current debate should not be about changes to the 1996 Farm Bill, as some are proposing, but what can be done in this new farm environment to move ahead.'' The Senate ag panel chairman noted ''there are some, even in the Senate, who are talking about supply management,'' a policy that Lugar labeled as ''a defeatist, defensive policy.''

Lugar was asked to comment on proposals unveiled Wednesday by a group of Democrat senators which included a call to raise loan rates and to make indemnity payments to farmers. ''These would not be helpful,'' Lugar responded. ''We've gone down that trail before. They led to an increase in supplies so that the price was depressed for years, not just a few months.''

''Why people want to repeat history . . .'' Lugar continued in his pointed comments regarding some Senate Democrats' farm policy proposals. ''My own view,'' he said, ''is that we would not change the loan rate, we should not extend the loan (term), we should not be sending indemnities out, we should not be sending massive amounts of money. We've got a good, solid farm policy.''

Sen. Pat Roberts, the ''father of Freedom to Farm'' when he was House Ag Committee chairman, also responded to alternative farm policy proposals from a small group of Democrat senators. He said he would be the first one in line to back raising loan rates if that was a sound idea. Key word there is if.

The issue of loan rates, Roberts continued, comes down to a debate on the purpose of the loan program. ''You have to have a policy judgment,'' Roberts stated. ''Do you want the loan rate to be a market-clearing device, or an income protection device?'' He noted that today, farmers are receiving ''transition payments that are twice as much as they would have had under the previous (farm policy) program.''

Roberts zeroed in on farm woes in the Northern Plains. He said a look at what is causing the trouble in this region shows: ''Number one, you've had bad weather; ''Number two, you've had wheat disease for six years; ''Number three, you've got some real border problems with Canada; ''Number four, (Northern Plains) cost of production is historically higher.''

''There is a serious problem'' in the Northern Plains, Roberts stressed. ''But what is the answer?'' he asked. He said a return to the failed policies of the past such as raising the loan rates ''is a dead-end street.''

Roberts signaled a possible assistance tool ahead for needy producers when he said he has talked to USDA Secretary Dan Glickman about credit issues such as getting loans on coming Freedom to Farm transition payments.

Sen. Chuck Hagel focused on getting the IMF funding package and fast-track negotiating authority as top priorities.

Hagel admitted that the House Republican leadership will have to be encouraged to bring these measures up for votes. But he quickly added, ''Let's recall that all trade issues have been non-partisan,'' noting that he certainly hopes the situation remains that way.

Fast-track gets new life. One of the top agenda items Lugar and other senators mentioned was getting the administration fast-track trade negotiating authority. Consider the following recent developments:

Sen. Roberts said that while he can't and won't speak for House Speaker Newt Gingrich, discussions he's held with Gingrich indicate a plant to bring fast track to a vote in the House in September. Roberts says, ''Why wait? Let's do it now!''

Gingrich, in an interview with CongressDaily earlier this week, confirmed that Congress will consider fast-track trade legislation sometime before adjourning this fall. He cited the ongoing Asian financial crisis as a reason to bolster the United States' trade position. He said renewing this authority to negotiate trade deals via fast track would be good for U.S. business, particularly agriculture.

House Ag Committee Chairman Bob Smith (R–Oregon) said he is waiting for a response from the Clinton administration to a previous proposal he made that he estimates could deliver up to 30 votes for fast track. That could be enough to pass the contentious trade measure.

Smith sent a letter last month to U.S. Trade Representative Charlene Barshefsky proposing the administration change authorizing language in the measure so the House and Senate Ag panels would have greater authority to review implementing agreements related to fast track. (In Beijing this week, Barshefsky welcomed Gingrich's call for a vote on fast-track trade legislation this year.)

''If they give me the go-ahead,'' Smith said he could ''deliver the votes.'' Noting the fast-track measure was within around 10 votes of achieving House passage last year, Smith said his idea could help switch as many as 30 votes. He said his approach would allow members to ''cross over and they could then go back home and answer the people who say that agriculture always gets traded out.''

Sen. Grassley this week called on President Clinton to ''back up his speech that he made in Geneva'' on the importance of trade. He further called on Clinton to use ''his power of persuasion'' and the ''power of the office'' to muscle up support for fast track.

Sen. Bob Kerrey (D–Neb.) said that without the ability to negotiate trade deals and keep U.S. ag trade moving, ''serious problems facing U.S. agriculture today are apt to get worse.'' He added that U.S. agriculture is relying heavily on ''demand in foreign markets.''

Bottom line: sooner or later in this town common sense prevails. Momentum for getting congressional approval of fast-track trade negotiating authority is growing. But in the past, fast-track proponents didn't keep the issue front-and-center. It looks like farm groups and others have learned some hard lessons. Frankly, I think fast track would have passed before if there would have been an actual vote on the floors of Congress (a minority viewpoint, for sure). Let's just hope a vote occurs this time, this year. We need to see the true Hall of Shame of those lawmakers who vote against authority to simply negotiate. Any trade agreement can be voted down. But not to give U.S. trade negotiators a chance can only be deemed for what it is: protectionism in disguise.

And if Rep. Smith gets his worthwhile proposal okayed, then farm-state lawmakers voting against fast-track would have a lot of fast explaining to do—to their agribusiness constituents.

The PRESIDING OFFICER. Who seeks recognition?

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time run equally against both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. 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. HARKIN. Mr. President, I wanted to correct myself. I did look at the order that was entered. The Senator from Mississippi is right. The order was entered that there would be a motion to table. I did not think that was the case. I stand corrected.

Mr. President, I was still waiting for one Senator on our side to come and speak. So, again, 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. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DASCHLE. Mr. President, I yield the 5 minutes remaining to the distinguished Senator from Louisiana, and then I will use my leader time to close up the debate on this amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Thank you, Mr. President. I thank our leader for yielding time to me.

I wanted to speak earlier for the RECORD to give my distinguished colleague from Iowa some words from Louisiana. We talk a lot about the Midwest and the Northwest, and the difficulty that our farmers are experiencing, actually all over our country. And the South, Mr. President, is no different.

I had a very lengthy conference call with the leaders of many of our commodity groups. I am sorry to bring to this floor that the situation is fairly urgent in Louisiana. I am sure that is true in other places in the South. They are facing economic hardships, unparalleled in many instances. In fact, I asked Ken Methavin, one of our cotton producers from Natchitoches, LA, if he could describe the situation. He said, ''Ms. LANDRIEU, there ain't nobody alive that has ever seen anything like this for a hundred years.'' We are experiencing in Louisiana a 100-year drought, and for us with usually an ample supply of water it is hard for me even to be able to speak here about the situation that the farmers are experiencing. It is very unusual.

Over the past 3 and a half months, our State has received virtually no measurable rainfall in the crop-growing regions of the State. As of this week, the average rainfall totaled 13 inches below our State average.

In addition to facing one of the worst droughts in our history, the State is experiencing very high temperatures, over 100 degrees. The combination has resulted in extensive damage to our corn crop.

Our soybean farmers, in addition, tell me that about a third of their crop will be in jeopardy.

Our dairy farmers continue to face not only the weather conditions—the lack of water and the high temperatures—but depressed prices are also driving many of them out of business. Milk production has decreased more than 50 percent, in addition, due to damaged pastureland.

Our cotton and rice farmers are also expecting to suffer from the drought. In addition, the Asian financial crisis, which has not yet completely hit, threatens to further complicate the situation.

Our forest production report is equally disturbing. We planted 100 million seedlings this last year and to date have lost over 50 million, and 15,000 acres of forest in Louisiana have burned, resulting in fire not to be compared to what is happening in Florida, but still a significant amount of acres has been lost.

In parish after parish, I am hearing nothing but grim news about the impact of the drought on depressed prices in some areas, and the extreme heat. I am told that even with crop insurance under the current Crop Insurance Program, many of our farmers will not be able to recoup any measurable portion of their input costs. Other farmers who are not eligible for crop insurance have no similar assistance at all to avail themselves of.

So I am pleased to be here today on the floor to join our leader, Senator DASCHLE, in his plea—his urgent plea—for this Congress to come together and to give appropriate assurance and appropriate measures to our farmers at this time. It is not enough, Mr. President, I don't think, to pass a sense of the Senate. What is appropriate is to give meaning to that resolution that we passed yesterday. We should have specific, concrete relief and a safety net for our farmers to get them through a difficult time and to realize that perhaps the laws that we have outlined are not perfect and could be improved with some changes that our leader has put forward.

So I am happy to join him today, and Senator HARKIN, to continue to fight and to support our farmers not only in Louisiana but around the Nation.

Thank you, and I yield the remainder of my time.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democrat leader.

Mr. DASCHLE. Mr. President, I thank the Senator from Louisiana for her excellent statement and appreciate very much her reflecting on the seriousness of the situation in Louisiana as well.

As I noted, Mr. President, I will use my leader time to finish the discussion of this amendment.

I think this poster probably says it as well as anything. The only thing I would call to everyone's attention is that when it says ''rural S.D.,'' it could say ''rural Louisiana,'' it could say ''rural Illinois,'' or it could say ''rural'' any State in the country. ''Ag slump threatens rural''—blank. For me, it is ''rural S.D.''.

The problems that we are having here that are outlined in these articles say it very well. Prices have dropped dramatically. Prices have dropped in corn, in wheat, sorghum, barley, soybeans—you name the commodity. Prices have plummeted. It is not just the grain, it is the livestock as well.

There is a statement here in the first part of the article by David Kranz, the Sioux Falls Argus Leader.

Mr. President, I ask unanimous consent that these articles, one by David Kranz of the Argus Leader, and the other by Kevin Woster of the Argus Leader, be printed in the RECORD.

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

[From the Argus Leader, July 15, 1998]

AG SLUMP THREATENS RURAL S.D.—SMALL TOWNS VULNERABLE TO DOWNTURN

(By David Kranz)

As politicians scramble to prop up a flagging farm economy, South Dakota's small-town main streets are bracing for the financial ripples.

Cheap grain coupled with depressed livestock prices have farmers in an unusually tight economic clutch this summer. And some small businesses are already seeing the effects.

''We are seeing a major impact. It's all because of $2 corn and under—$5 beans and

going lower. And you have $30 hogs and $50 cattle. I don't know if you could call it a depression, but it is awfully close to it,'' said Tom Reecy, owner of Reecy Farm Supply Co. in Dell Rapids.

Contributing to farmers' problems are weakened demands for agricultural imports and some prolonged periods of weather disasters and crop diseases. Some agriculture economists are predicting financial fallout as harsh as during the farm crisis of the mid-1980s.

Some small businesses, already struggling to survive economically, may lose the battle.

''Those (towns) that are detached from urban centers may have some problems. When a community becomes totally dependent on one industry, any blip on the graph will hit them more than your commuter towns,'' said James Satterlee, head of the Department of Rural Sociology at South Dakota State University.

Satterlee said many small towns have been reluctant to accept change and diversify their economies over the years.

Census reports show about 200 South Dakota communities are steadily losing population, and some of those will be vulnerable to another downturn in agriculture.

''If those towns have been diversifying, it won't be as severe. There will be less chance of impact because of something that happens with one particular product,'' Satterlee said.

Freeman is one South Dakota community largely dependent on the ag economy. The town is also watching its population continue to shrink.

Rita Becker closed her clothing store in Freeman in March because the store was no longer profitable. She now works on the farm with her husband, Rudy.

''When we talk with people in the business, ag prices are a part of it, but another part is that people just go elsewhere to shop. We are 50 miles away from Sioux Falls, but nowadays, 50 miles isn't a long ways to drive.''

The current agricultural situation has Becker and her husband questioning the advantages of farming.

''We are in our mid-40s. We raise about 500 acres of beans and corn. Hearing my husband speak with his friends, they are discouraged. People have just had it. They have farmed all their lives and there is just no money in it,'' she said.

HARDWARE STORE HURTING

Down the street from where Becker once did business. Don Wipf is watching a decline in agriculture-based spending at the Coast-to-Coast hardware business his family has owned for 59 years.

''We have seen it coming for a couple of years. The farmers aren't spending money like they normally do. Sales are down. I think they are buying more nonnecessities,'' he said, ''They notice it over at the grocery store, too. They are buying more of the cheaper cuts of meat these days.''

Wipf says Freeman business people are worried about the future.

''Everybody is trying to come up with ways to keep the businesses we have. It is just generally tough for small towns. I wish we could come up with an answer. I'd be rich.''

CENSUS NUMBERS DOWN, TOO

Things aren't much brighter in Redfield. This community, located between Aberdeen and Huron, is also losing population. The 1996 census update showed another 3.3 percent drop in population from the year before.

Rod Siegling owns the family's grocery store, Siegling Super Value, which has been operating in Redfield for 40 years.

TOUGHER IN BAD TIMES

He has seen the ups and downs that come with agricultural prosperity and decline, but says it is getting tougher to absorb the bad times.

''It hasn't had much of an effect yet, but it will come gradually. They will watch how they spend their dollar,'' he said.

Ironically, a drive through the countryside this summer can be deceiving, he said.

''The crops look good, but it isn't worth anything if you can't get a good price,'' he said.

Feed is Reecy's business and he has ridden the agriculture price roller coaster since 1973.

''It (the farm economy) has affected our total feed business very dramatically. Our major customer with 20 to 50 sows . . . They are just getting out,'' he said ''That style of person is farming their farm land, looking to cash it out and look for another job.''

The low prices don't reduce farmers' financial obligations, though, Reecy said.

''At the same time they all know their taxable valuation is going up. School cost is going to go higher. Those things have them very concerned.''

Tim Clarke hears the talk from farmers about the pending economic predicament. He opened a farm equipment business last April in Howard.

''I am starting from scratch. I have nothing to compare with, but I sell smaller ticket items like live-stock-handling equipment and business has been good,'' Clark said.

TRYING TO STAY POSITIVE

Although he prefers to stay positive, he's also realistic.

''I try to ignore it (talk of the bad farm economy), Agriculture has always been cyclical. But if it (the downturn) is not brief, there will be nothing but tail lights in this part of the country.''

[From the Argus Leader, July 15, 1998]

DEMOCRATS TURN UP HEAT ON FARM ACT

(By Kevin Woster)

South Dakota's two U.S. senators joined other Democrats on Tuesday in an increasingly pointed attack on Republican-inspired farm policy that critics claim has failed.

In an assault that Democrats hope can produce more congressional seats as well as better market prices. Sen. Tom Daschle said almost every major commodity has dropped in price since Congress in 1996 passed the Freedom to Farm Act.

That act is phasing out decades-old farm subsidies and production controls in favor of free-market, free-planting policies. It allows farmers to take better advantage of market highs but also leaves them more at risk during lows.

''We've seen some of the lowest prices in decades for months now,'' Daschle said during a teleconference with reporters across the nation. ''We'll see a serious decline in farm prices for the foreseeable future unless something is done.''

That something is included in a five-point relief plan presented Tuesday by Daschle. Sen. Tim Johnson and Democratic senators from Iowa, Minnesota and North Dakota.

The Democrats intend to offer the rural relief package as amendments to an agricultural appropriations bill. The Senate could vote on some parts of that proposal today.

On Tuesday night, the Senate approved an amendment by Daschle acknowledging that there is a crisis in farm prices and that it must be addressed. Daschle and other senators are scheduled to meet with President Clinton tonight to discuss the situation.

The center of the Democrats' package is a proposal to increase the rate and extend the repayment period for government marketing loans. Farmers can use the loans, based on a set price per bushel, to acquire operating cash. When prices rise, they can sell their grain for a batter price, repay the loans and have money left.

Other provisions would require large meatpackers to reveal more information about prices they pay for livestock, require labeling of imported beef and lamb, boost foreign-trade programs and create a $500 million fund for targeted disaster assistance.

Providing a higher loan rate and a longer repayment period—from the current nine months to 15 months—would give farmers more cash immediately and allow them more time to find better markets, Democrats said.

Critics complain about the cost, which Daschle said would be $1.6 billion a year. They also worry that the longer marketing period could allow grain stocks to build and actually depress prices.

''The buyers know that product is there. And it has to come to market sometime. It can't stay in the bins forever,'' said Kimball farmer Richard Ekstrum, past president of the South Dakota Farm Bureau.

The Farm Bureau supports the current farm bill, while the South Dakota Farmers Union has pushed for changes, including those advanced by the Democrats.

Ekstrum said he supports some portions of the Democrats plan, such as provisions aimed at improving foreign markets. He said market development is the long-term key to better prices.

Although raising the marketing loan rate might help boost prices for grain farmers, even that benefit creates negative impacts in the complicated world of agriculture, Ekstrum said.

''That loan rate has an impact on grain prices, which livestock producers have to purchase. And they already are in a very tight squeeze. If they have to pay more for grain, they might cut production,'' he said. ''There's just no simple solutions.''

Ekstrum said the depressed market prices re painful for farmers, but the entire outlook isn't bleak. Many farmers in South Dakota have promising fields of corn and soybeans, he said.

''It's not in the bin yet. But right now we have the potential for yields much, much above what is average. If you can produce more grain with the same inputs, that's always a positive thing,'' he said.

South Dakota's Republican congressman, Rep. John Thune, said he probably would support the loan-rate increase. He also might support the loan-repayment extension, although he worries about the potential effect of stockpiling more grain.

Either way, the Democratic plan faces a hard collision with Republican leaders intent on maintaining the new free-market, less-government approach to federal farm policy, Thune said.

''When you get outside of the Northern Plains states, they aren't experiencing the type of stress that we are, so it's a harder case to make,'' Thune said. ''I certainly don't think there's any inclination there now to overhaul Freedom to Farm.''

Supporters of current farm policy think the long-term answer is in new and expanded foreign agricultural markets, which will help boost market prices. The House moved Tuesday evening to help in that area by approving a companion bill to one already approved by the Senate exempting agricultural commodities from trade sanctions imposed against Pakistan and Indian.

Thune said work on foreign trade needs to be a national priority. But he said there might be ways to provide farmers and ranchers with needed assistance while maintaining the free-market approach.

He hopes to announce related proposals later this week.

Democrats said that without immediate action, Congress will fail rural America.

Sen. Byron Dorgan, D-N.D., said farmers in his state are experiencing a 98 percent drop in farm income in one year because of lower market prices, crop diseases and weather problems. Such severe financial pain deserves federal assistance, he said.

''It isn't a wind or tornado. It's not a flood. It's not a fire. It's not an earthquake. But it's every bit a disaster,'' Dorgan said.

Johnson said the Freedom to Farm concept, which phases out farm subsidies by 2002, amounted to giving farmers ''five years of declining payments, then a pat on the back and good luck.''

Johnson continues to push for meat labeling laws that would allow consumers to choose between U.S. and imported meats. He said that would help lift prices for U.S. livestock producers.

Mr. DASCHLE. Mr. President, I will quote from the article:

''We are seeing a major impact. It's all because of $2 corn and under $5 beans and going lower. And you have $30 hogs and $50 cattle. I don't know if you could call it a depression, but it is awfully close to it,'' said Tom Reecy, owner of Reecy Farm Supply Co. in Dell Rapids.

Contributing to farmers' problems are weakened demand for agricultural imports and some prolonged periods of weather disasters and crop diseases. Some agricultural economists are predicting financial fallout as harsh as during the farm crisis of the mid-1980s.

This isn't a Democratic Senator saying this. This isn't even a farmer saying this. What they are saying is that, because of these falling crop prices, you have got the owner of a very important business in Dell Rapids, SD, saying, ''It's over.'' Its over unless we change what is happening out here today.

The article by Kevin Woster makes it very clear that the problem goes beyond—it is not on this chart—but it goes beyond Dell Rapids, SD. He talks about Redfield, a very important community in the northeastern part of our State. The 1996 census update showed a 3.3 percent drop in population in just that year. Rod Siegling owns the family grocery store, Siegling Super Value, which has been operating in Redfield for 40 years.

Mr. Siegling talks about the extraordinary reduction in the business in his store, in the article that I have already inserted in the RECORD. Why? Because prices are so low people can't afford to buy their groceries.

Mr. President, I have one other matter I would like to insert in the RECORD, and that is a letter sent to the chairman of the Senate Agriculture Committee by the Tripp County Board of Commissioners: Louis Polasky, Ray Petersek, Harold Whiting, Neil Farnsworth, and Marion G. Best.

I ask unanimous consent that this letter be printed in the RECORD.

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

TRIPP COUNTY
BOARD OF COMMISSIONERS,
Winner, SD, July 7, 1998.

Senator RICHARD LUGAR,
Chairman, U.S. Senate Agricultural Committee, Senate Hart Building, Washington, DC.

DEAR SENATOR LUGAR: The Tripp County Commissioners are writing this letter to inform you as to the economic disaster involving the farmers and ranchers in Tripp County, South Dakota.

The county consists of approximately 700 farm and ranch families in a populas of 6,900. During the last decade, the devastating effect of low commodity and cattle prices have affected every household in the county. Commodity prices at the 1950 levels have continued the exodus of our youth to cities for jobs while the age of our farmers and ranchers average in the 60's.

Ever since the NAFTA and GATT agreements were entered into, the farm and ranch economy has plummeted. While trying to become more efficient, they cannot compete with the inflationary rate that the rest of the economy or businesses have placed on their products while receiving historical low prices!

While the large four packers have capitalized on the livestock market, the stock market moves up or down only to the pleasure of the traders' profit at the expense of the farmers and ranchers. Where else can a market move lower because it rains in Indiana or higher because Texas is dry!

It has, for these reasons and many others, become very important for the need of assistance to restore a safety net to grain and livestock producers! All our producers need are fair prices for both grain and livestock and the rural economy will heal itself! This crisis has escalated to the point where immediate help is needed. The rural outcry has become a deafening cry for help.

Sincerely,

TRIPP COUNTY COMMISSIONERS:
LOUIS POLASKY,
Chairman.
RAY PETERSEK.
HAROLD WHITING.
NEIL FARNSWORTH.
MARION G. BEST.

Mr. DASCHLE. I will simply read one paragraph:

During the last decade, the devastating effect of low commodity and cattle prices has affected every household in the county. Commodity prices at the 1950 levels have contributed to the continuing exodus of our youth to cities for jobs while the age of our farmers and ranchers average in the 60s.

Yesterday, the Senate voted 99 to nothing simply to say, with bipartisan emphasis, we hear you. We understand. We know that when prices are this low, you are going to see the consequences as reported in these stories and this letter.

Today, we now offer our solutions. This amendment, the one upon which we will be voting briefly, lifts the cap on marketing loans and extends the loan term as one of the most consequential ways with which to respond immediately to the problem of low prices.

Why? Because we are giving farmers some flexibility to say, look, if the prices continue this way, I am going to take out a loan for at least 15 months to see if all of the other things they are doing out in Washington and throughout our agricultural economy will give me a better price later on.

That is what we are suggesting. Let's give our farmers the opportunity to obtain a better option in the short term. We are talking about farmers' ability to survive the 1 year that this amendment takes place. That is all it is, 1 year. We are not suggesting this be a permanent change to the legislation pending. We are simply saying the very survival of thousands of family farms depends upon whether we give them the tools right now.

For those who oppose this amendment, I would simply ask, What immediate action do they propose? What will they do to help farmers today?

We are all for trade. I don't know of a Senator who will come to the floor and say, ''I oppose increasing trade.'' That is like saying I will oppose eating apple pie. We favor trade. We want to see our markets opened. And I might say parenthetically the fastest way to open them is to pass the funding of the International Monetary Fund so that we can open these markets and stabilize the economy.

So let me just describe again this first in a series of steps that we are proposing to deal with these prices. The amendment, again, that we will be voting on momentarily would eliminate the caps on marketing loans and set the new rate at 85 percent of the average price of the previous 5 years, and here is the key, ''on an emergency basis.'' On an emergency basis, it would extend the marketing loan term from 9 months to 15 months under the same conditions.

I hope everyone will note the distinction between this amendment and earlier legislation to break the loan caps. In contrast to other marketing loan proposals, this measure only goes into effect in the case of an economic crisis. It gives the President discretionary authority to control extreme, persistent income loss by lifting the marketing loan caps and extending their terms in this year only.

Regardless of how my colleagues may feel about changes in permanent law, regardless of how they may have voted in the past, I really cannot imagine that anybody can say that for 1 year, under these circumstances, I am opposed to bumping up that loan that has to be paid back by the farmers, regardless of whatever concerns they might have. In every single case that I am aware of in talking to farmers around the country, they tell us that the single most effective thing we can do, the single most important thing we can do to affect price in the short term is what we are offering right now.

You can listen to some of our colleagues complain that this is an old solution. The fact is that this is the best solution, the best short-term emergency solution that we are aware can be proposed. It is supported by the National Wheat Growers, by the Barley Growers, by the American and National Corn Growers, and by a growing list of farmer organizations and farmers across this country who say, yes, with an exclamation point, pass this.

Combining the two provisions—the extension of the time and the moderate increase in the availability of the loan value—provides our farmers with increased market flexibility and a far better shot at surviving over the next

12 months. Adopting this proposal would result in loan rate increases, and we think price increases, for every single grain commodity. Wheat loan rates would increase 64 cents a bushel; corn loan rates would increase 36 cents a bushel; soybean rates would increase.

The flexibility contained in the new farm bill is great. Farmers get their signals from the market but not the Government. But they cannot be left without the marketing tools necessary to capitalize on the new free market. This is an opportunity to send a clear message to farmers in every State, every State where we can add ''rural'' in front. We understand the ag slump threatens rural States, rural South Dakota, rural North Dakota, rural Maine, rural California, rural Louisiana, and we are going to do something about it. We are going to offer this as our best opportunity to deal immediately with price, knowing how consequential this could be for every single farmer who is watching and listening and hoping that we understand. We can use all the rhetoric we want. The only way we are going to get this job done is to match our actions to our rhetoric. The rhetoric came yesterday. The actions now must come today, and they must start by increasing this loan rate.

I yield the floor.

Mr. COCHRAN. Mr. President, I think we have had a full and complete debate on the Senator's amendment. We have heard from Senators on both sides of the aisle. I am prepared to yield back any time that remains to this side on the amendment of the Senator from South Dakota, but before doing that I am happy to announce to the Senate that we have reached an agreement on both sides with respect to the amendments that will be in order to this bill and, following the disposition of the Daschle amendment, we will proceed to consider other amendments.

With the authority of the majority leader and with the permission and consent of the minority leader, I ask unanimous consent that during the consideration of the agriculture appropriations bill, the following be the only first-degree amendments in order, subject to relevant second-degree amendments, and following the disposition of the amendments, the bill be advanced to third reading and the Senate proceed immediately to Calendar No. 430, the House companion bill.

I further ask that all after the enacting clause be stricken, the text of the Senate bill as amended be inserted, the bill be advanced to third reading and passage occur, all without intervening action or debate.

Finally, I ask that 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, and the Senate bill be placed back on the calendar.

I submit the list of amendments to be offered on both sides.

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

Mr. COCHRAN. Mr. President, I ask unanimous consent the list be printed in the RECORD.

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

AMENDMENTS TO AGRICULTURE APPROPRIATIONS

Craig—Bio-diesel.
Grassley—S.O.S. on farmers relief.
Grassley—S. 1269—Fast track.
Lugar—Sanctions.
McConnell—2nd degree place holder.
Hatch—Interstate distribution of meat.
DeWine—S.O.S. on asthma inhalers.
Kempthorne—Funding for secondary agriculture education programs.
Brownback—Limit length of agriculture census.
Coverdell—Ag. credit.
Coverdell—E coli.
Roberts—Nuclear nonproliferation.
Roberts—Nuclear nonproliferation.
Cochran—Managers amendment.
Cochran—Managers amendment.
Stevens—Relevant.
Santorum—Farmland preservation funding.
Brownback—Nine month waiver permanent sanctions—Pakistan/India.
Baucus—Research.
Baucus—Commodity loans.
Baucus—Research.
Baucus—Relevant.
Bryan—Market access program.
Bryan—Market access program.
Byrd—Relevant.
Byrd—Relevant.
Bumpers—Relevant.
Bumpers—Relevant.
Bumpers—Relevant.
Conrad—Emergency indemnity payments.
Conrad—Relevant.
Conrad—Relevant.
Daschle—Market loan rate (pending).
Daschle—CRP hay.
Daschle—Fund for Rural America.
Daschle—Price reporting.
Daschle—Conservation reserve.
Dodd—Waive sanctions food and medicine.
Dodd—FDA recall drugs and medical devices.
Dodd—Authorize experiment station research $.
Dorgan—Scab research.
Dorgan—Cost of production.
Dorgan—Sanctions.
Dorgan—Food for peace.
Dorgan—Fruits and veggies.
Durbin—Clinical pharmacology.
Durbin—National corn-to-ethanol.
Durbin—Meals on wheels.
Feingold—Small farms.
Feingold—Relevant.
Graham—Fires.
Graham—Country origin produce labeling.
Graham—$ Med fly.
Harkin—Relevant.
Harkin—WIC related.
Harkin—Food safety.
Harkin—Relevant.
Harkin—Relevant.
Harkin—Relevant.
Harkin—Bio containment.
Johnson—Meat labeling.
Kerrey—Mandatory price reporting pilot.
Kerrey—Economic research service study.
Leahy—Relevant.
Leahy—Relevant.
Levin—Fire blight.
Levin—Disability discrimination.
Mikulski—Relevant.
Mikulski—Relevant.
Robb—Remedy discrimination by USDA.

Mr. COCHRAN. Mr. President, I thank all Senators for their cooperation and assistance in reaching this point of the debate on the agriculture appropriations bill. I now yield back all time that remains on this side on the Daschle amendment.

I move to table the Daschle amendment.

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

The PRESIDING OFFICER (Mr. INHOFE). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

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

[Rollcall Vote No. 200 Leg.]

YEAS—56

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

NAYS—43

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

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3146) was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3155

(Purpose: To amend the Arms Export Control Act to provide waiver authority on certain sanctions applicable to India or Pakistan)

Mr. COCHRAN. Mr. President, on behalf of the Senator from Kansas, Mr.

BROWNBACK, and other Senators, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for Mr. BROWNBACK, for himself, Mr. ROBERTS, Mr. HAGEL, Mr. GORTON and Mr. ROBB, proposes an amendment numbered 3155.

Mr. COCHRAN. 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:

TITLE ____—INDIA-PAKISTAN RELIEF ACT

SEC. ___01. SHORT TITLE.

This Act may be cited as the ''India-Pakistan Relief Act of 1998''.

SEC. ___02. WAIVER AUTHORITY.

(a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. ___03. CONSULTATION.

Prior to each exercise of the authority provided in section ____02, the President shall consult with the appropriate congressional committees.

SEC. ___04. REPORTING REQUIREMENT.

Not later than 30 days prior to the expiration of a one-year period described in section ____02, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. ___05. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this title, the term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the India-Pakistan Relief Act, which I am cosponsoring with my colleague from Kansas.

Even as we have implemented a strict regime of sanctions on India and Pakistan as called for by law, it is my belief that we must also look to the future and to creating the sort of environment which will allow the United States to engage India and Pakistan in a positive relationship and to restore stability to South Asia.

To that end, this Amendment does something very simple, and something much needed. It is also something which I believe the great majority of this body supports.

The Amendment provides the President with the discretion to waive the application of any sanction or prohibition, for a period of 1 year. It contains an exception for those sanctions dealing with dual-use exports or military sales, which will remain off-limits.

Before the waiver authority is exercised, the President is required to consult with Congress.

And, prior to the expiration of the waiver authority granted in this Amendment, the Secretary of State must report to Congress on developments in India and Pakistan.

This last point is crucial. The waiver authority granted in this Amendment is limited to 1 year. Should India and Pakistan prove to be unwilling to resolve their differences—should the Secretary be unable to report on substantial and significant progress—this Amendment will sunset, and the current sanctions will go back into effect.

It is my belief that the President be given flexibility to use and shape sanctions as most appropriate to attempt to create a positive and constructive environment for the resolution of political and security problems in South Asia. Our current sanctions policy does not provide for that flexibility.

In fact, without this flexibility it is difficult to conceive how the United States can play a positive and constructive role in attempting to head off a potential nuclear arms race in South Asia or to restore stability to the region.

Indeed, the Administration currently has a high-level delegation, headed by Deputy Secretary Talbott, en route to the region to continue talks with India and Pakistan and to continue discussions on bringing the current crisis to a close.

Hopefully, this Amendment will send a positive signal to India and Pakistan that the United States is interested in working with them to resolve their problems, and will provide our negotiators with the leverage that they need if they are to have success in moving the process in a positive direction.

This Amendment structures U.S. policy to secure commitments from India and Pakistan to make real and meaningful progress in rolling back the current crisis, to settle their differences, and to bring peace to South Asia.

Although we do not spell out explicit conditions that India and Pakistan must meet in this Amendment, it is my hope and belief that the flexibility that this Amendment introduces will allow the Administration to work with India and Pakistan to take necessary actions to resolve their political and security differences, including ceasing any further nuclear tests; engaging in a high-level dialogue, putting confidence and security building measures in place; and, take steps to roll-back their nuclear programs and come into compliance with internationally accepted norms on the proliferation of weapons of mass destruction.

Indeed, my support of this Amendment lies, in part, in my belief that this is that path that India and Pakistan themselves have indicated that they would like to pursue.

Both India and Pakistan have made statements indicating that they will refrain from future testing. Both have indicated that they are prepared to consider joining the Comprehensive Test Ban Treaty. And, in a message to the Security Council on July 9, Secretary General Annan wrote that ''I have been encouraged by indications from both sides of their readiness to enter into dialogue addressing peace and security matters and causes of tension, including Kashmir.''

In South Asia today it appears to be too late to talk about preventing the capability of developing nuclear weapons. As I stated on this floor immediately following the first Indian nuclear test, the international community cannot successfully impose nonproliferation policies on South Asia. Ultimately, India and Pakistan must determine for themselves that their own interests are best served by ridding South Asia of weapons of mass destruction—and not by turning the region into a potential nuclear battleground.

The United States, however, must seek ways to work with India and Pakistan to help them reach that determination. It is my belief that this Amendment serves to structure our policies to make that outcome more likely. I urge my colleagues to join me in support of this Amendment.

Mr. HELMS. Mr. President, as has been made clear, this amendment is a version of a bill offered last week by Senators MCCONNELL, BIDEN, and others. At that time, Senators felt pressure to lift sanctions on India and Pakistan, thereby precluding U.S. companies from participating in a significant wheat tender.

I understood the urgency, and I therefore supported my colleagues. On the question of sanctions in general, and sanctions on India and Pakistan in particular, however, several points need to be emphasized.

The sanctions tasks force appointed by the majority and minority leaders, as of last week's sanctions relief bill, had met twice at a staff level. No one saw the proposed bill language, which, as originally written, would have lifted not only economic, but also military and dual use sanctions on India and Pakistan for a period of nine months.

Mr. President, I believe the majority leader was serious in his desire to constitute a group of Senators who, after due deliberation, would make recommendations on sanctions. That did not happen. Instead, we have rushed

forward, willy nilly, with bills and amendments that the Senate Foreign Relations Committee has not considered. Indeed, last week we were presented with language that even the members of the sanctions task force had not considered.

It is my firm belief that at any given time we have one Commander in Chief and one Secretary of State. I support the President's right to make decisions on foreign policy, even when I disagree with those decisions. I also agree that it is important that the President have some flexibility in making those decisions.

That is why I am willing to support a limited waiver on economic sanctions—economic sanctions only—for nine months for India and Pakistan—which I do with some reservations. I shall expand on this further at another time. Suffice it to say that I do not believe foreign aid, foreign loan guarantees or international bail outs are an ''entitlement'' to any nation.

Equally importantly, Mr. President, no nation deserves military hardware, services or dual use items capable of supporting military programs if and when that nation engages in conduct dangerous to the national security of the United States. I shall never support U.S. supercomputers going to help the Indian nuclear program or U.S. space technology supporting a South Asian missile program. The line must be drawn somewhere.

The bill presented to me last Thursday at 9:30 a.m., one hour prior to its consideration by the full Senate, would have allowed anything—munitions list items, aircraft, weapons, advanced weapons technology—to go to India or Pakistan. I refuse to believe that even those most ardent to appease big business could countenance a U.S. military relationship with a nation that just detonated a nuclear weapon.

Mr. President, sanctions have their downsides, and I am ready to address those downsides. What I am not willing to do is to permit Congress to rush headlong into approving legislation which would open the floodgates to the rogues of this world.

Mr. COCHRAN. Mr. President, the amendment deals with the sanctions against India and Pakistan. The amendment has been cleared on this side of the aisle. I understand that it has also been cleared on the other side. But I yield to my friend from Arkansas for any comments.

Mr. BUMPERS. Mr. President, this amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. Is there further debate?

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I am sorry, I am not aware of the amendment the Senator from Mississippi is talking about.

The PRESIDING OFFICER. Is there further debate?

Mr. BUMPERS. Mr. President, I am told there are a couple questions on our side of the aisle. I regret that I announced earlier there was no objection on this side. Apparently, there are at least a couple questions. So if we could leave that amendment, set it aside in order to let Senator LUGAR go, then we will try to clear it between now and the end of that time.

The PRESIDING OFFICER. Is there objection?

Mr. COCHRAN. Mr. President, reserving the right to object, and I do not want to object and will not, maybe the thing to do is put in a quorum for a second or two and see exactly what the questions are. Maybe they can be answered. If not, then I agree with you, we will set it aside and go to another amendment.

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. COCHRAN. 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. COCHRAN. Mr. President, I think we are ready now to proceed to a vote on the Brownback amendment

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the vote.

The amendment (No. 3155) was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. BUMPERS. I move to lay it on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 3156

(Purpose: To provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions in order to ensure coordination of United States policy with respect to trade, security, and human rights.)

Mr. LUGAR. I send an amendment to the desk and ask for its immediate consideration.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 3156.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. LUGAR. Mr. President, I rise to propose an amendment that seeks to improve the way Congress and the executive branch consider and impose unilateral economic sanctions on other countries and entities. There has been a dramatic rise in the number and variety of U.S. economic sanctions directed against other countries to achieve one or more foreign policy goals. More often than not they have not been successful. Despite this record, we continue to impose one new unilateral sanction after another. We typically do so without careful analysis of their effects on our interests and our values.

Because of this, I believe it is time we engage in a serious debate on the merits of using unilateral economic sanctions to accomplish foreign policy goals. That is the purpose of this amendment. My amendment is a modification of Senate bill S. 1413, the ''Enhancement of Trade, Security, and Human Rights Through Sanctions Reform Act'', or simply the Sanctions Policy Reform Act, which we introduced last November. The companion bill was introduced in the House at the same time. There are now 36 Senate cosponsors from both sides of the aisle.

Let me take a moment to note some of the important changes from Senate bill 1413 that are now in my proposed amendment. These changes were included to reflect discussions with the administration, with legal counsel of the Senate, with our colleagues in the House, and with others. First, we clarify in the amendment that our general sanctions guidelines, procedural requirements, analytical reports and sunset provisions pertain only to future sanctions. I underline that point. This amendment deals only with the future. It is not an amendment about sanctions past or sanctions present. We are talking about sanctions in the future and only unilateral sanctions imposed by the United States alone.

Our bill is totally prospective. We have eased some of the public notification requirements about the proposed new sanctions. We do not want the President to inadvertently alert a country targeted for sanctions to take steps to avoid our sanctions before they are imposed. If a country knows in advance that we intend to impose an asset freeze, for example, it would initiate moves to conceal, shift, or otherwise avoid our sanctions, thereby undermining their effectiveness.

We have strengthened the language in the bill against the use of food, medicine, and medical equipment as a tool of American foreign policy. As a guideline, we believe food should never be used this way except in cases of war or a threat to the security of the United States. We have also included language in the bill that permits a slowing down of the process in the Congress to help guarantee that information about proposed new sanctions is available to the Members prior to their voting on the floor.

There are other minor changes in reporting requirements and procedures.

The fundamental purpose of my amendment is to promote good governance through thoughtful deliberation on those proposals involving unilateral economic sanctions directed against other countries. My amendment lays out a set of guidelines and requirements for a careful and deliberative process in both branches of Government when considering new unilateral

sanctions. It does not preclude the use of economic sanctions, nor does it change those sanctions already in force. It is based on the basic principle that if we improve the quality of our policy process and our public discourse, we can improve the quality of the policy itself.

This principle is familiar to us all. James Madison wrote eloquently in the Federalist Papers on the merits of slowing down the legislative process on important matters in order to achieve more careful, thoughtful deliberation and avoid the passions of the moment. This amendment is consistent with Madison's view. When we introduced Senate bill 1413 last fall, we did so because we believed that unilateral economic sanctions, when used as a tool of foreign policy, rarely achieved their goal, and frequently harmed the United States more than the target country against whom they were aimed.

The imposition of unilateral sanctions may help create a sense of urgency to help resolve a problem, but it often creates new problems, many of which may be unintended. In some cases, unilateral sanctions may be counterproductive to our interests.

Over the past several years, there has been a growing interest in the practice of unilateral economic sanctions as a tool of American foreign policy. Numerous studies have been conducted by think tanks, trade groups, the business communities, the U.S. Government, and foreign governments. These studies reached similar conclusions that unilateral economic sanctions that are utilized to achieve foreign policy objectives rarely succeed in doing so.

They further conclude that unilateral economic sanctions seldom help those we seek to assist, that they often penalize the United States more than the target country, and that they may weaken our international competitiveness and our economic security. The studies also show that unilateral economic sanctions have increasingly become a foreign policy of first choice, even when other policy alternatives exist.

Because of these studies, data on the use of sanctions are becoming familiar. According to Under Secretary of State, Eisenstat in testimony before the House International Relations Committee, the United States has applied sanctions 115 times since World War I and 104 times since the end of World War II. Nearly one third of the sanctions applied over the last 80 years have been imposed in just the past 4 years.

There are now dozens of new proposals before the Congress that would tighten or impose sanctions on one or more countries, many of whom are our friends or our allies. There are other sanctions pending at the State and local level directed at nearly 20 countries.

The 1997 Report of the President's Export Council on U.S. Unilateral Economic Sanctions, for example, cited 75 countries representing more than half the world's population, that have been subject to or threatened by U.S. unilateral sanctions. The application of new sanctions in the past 2 years have increased this global percentage to nearly 70 percent of the world's population affected or threatened by one or more U.S. sanctions.

These sanctions are not cost-free. They are easy to impose because they appear to be cost-free and are almost always preferable to the use of force or to doing nothing, but they have many unintended victims—the poor in the target countries, American companies, American labor, American consumers, and, quite frankly, American foreign policy. One cost estimate put the income loss to the American economy from economic sanctions at between $15 billion and $19 billion, while impacting more than 150,000 jobs in 1995 alone. Magnify this overtime, and the economic and foreign policy costs to the United States become enormous. These sanctions weaken our international competitiveness, lower our global market share, abandon our established markets to others and jeopardize billions in export earnings—the key to our economic growth. They may also impair our ability to provide humanitarian assistance. They sometimes anger our friends and call our international leadership into question.

Someone compared the use of unilateral economic sanctions in foreign policy to the use of carpet bombing in warfare. He noted that both tactics are indiscriminate and fail to distinguish between innocent and guilty victims. Those who are well-off financially, entrenched politically, or responsible for foreign policy actions we oppose, are those who tend to be least affected by unilateral sanctions. The point is that unilateral sanctions are blunt instruments of foreign policy that are too readily employed against foreign targets, even when other persuasive instruments of foreign policy may be available.

The statute regulating our actions against India's and Pakistan's behavior, for example, is unusually inflexible and limits our options to develop solutions that work in South Asia. Our punitive sanctions, however meritorious they may be, do not help us achieve cooperation with either country in coping with regional and global problems; nor do they promote essential American goals of democracy, human rights, religious freedom, or other values we would like to see in both countries. Indeed, these particular sanctions could inadvertently serve to destabilize an already unsteady situation in Pakistan—a nuclear Pakistan—which would not be in anybody's interest.

Mr. President, my amendment does not prohibit sanctions. There will always be situations in which the actions of other countries are so outrageous or so threatening to the United States that some response by the United States, short of the use of military force, is needed and justified. In these instances, sanctions can be helpful in getting the attention of another country, in showing U.S. determination to change behaviors we find objectionable, or in stimulating a search for creative solutions to difficult foreign policy problems.

Indeed, many unilateral sanctions are intended to achieve very laudable foreign policy goals—human rights improvements, the non-proliferation of weapons of mass destruction, stemming the flow of international narcotics, countering terrorism, prohibiting child labor, and others. These goals are worthy foreign policy objectives. Unfortunately, unilateral economic sanctions are not effective tools for advancing these objectives or our interests. They may, in some cases, undermine them. In the end, they typically inflict punishment on the American people or on the most vulnerable populations in the country against whom the sanctions are directed.

Mr. President, if we use unilateral economic sanctions to advance our foreign policy, we must be more sparing in their use, we must improve the process by which we consider international sanctions, and find ways to increase their effectiveness once they are implemented.

My amendment proposes to do that by improving the way we consider unilateral sanctions in both branches of the government. It is a modest amendment. It applies to a very limited class of sanctions which are unilateral in scope and which are intended to accomplish one or more foreign policy objectives.

My amendment excludes those trade remedies and other trade sanctions imposed because of market access restrictions, unfair trade practices and violations of U.S. commercial or trade laws. It excludes those multilateral sanctions regimes in which the U.S. participates, when other participating countries are imposing substantially equivalent sanctions and taking their burden. Our legislation is prospective and would not change, amend or eliminate existing U.S. sanctions, although I believe they should be reviewed as well. The Sanctions Task Force set up by the Senate leadership is undertaking that review. Finally, the amendment does not pertain to state and local sanctions intended to achieve foreign policy goals. It deals simply with those of the Federal Government.

To help achieve a more deliberative policy process, the bill establishes procedural guidelines and informational requirements before unilateral economic sanctions are considered by the Congress or the President. My amendment provides that any unilateral economic sanction proposed in the Congress or by the President should conform to certain guidelines. These should include:

clearly defined foreign policy or national security goals;

contract sanctity;

Presidential authority to adjust or waive the sanctions if he determines it is in the national interest to do so;

narrowly targeted sanction on the offending party or parties;

expand export promotion if our sanctions adversely affect a major export market of American farmers;

efforts to minimize the negative impact on humanitarian activities in targeted countries; and

a sunset provision to terminate new sanctions 2 years after they are imposed, unless reauthorized.

The amendment includes provisions to fully inform members of the proposed sanctions and requires new sanctions be consistent with these guidelines. It also mandates that all proposed new unilateral sanctions include reports from the President which assess the following:

the likelihood that the proposed sanctions will achieve the stated foreign policy objective;

the impact of the sanctions on humanitarian activities in affected countries;

the likely effects on our friends and allies and on related national security and foreign policy interests;

any diplomatic steps already undertaken to achieve the specified foreign policy goals;

the prospects for multilateral cooperation and comparable efforts, if any, by other countries to impose sanctions; against target country;

prospects for retaliation against the U.S. and against our agriculture interests;

an assessment as to whether the benefits of achieving the stated foreign policy goals outweigh any likely foreign policy, national security or economic costs to the U.S.; and

a report on the effects the sanctions are likely to have on the U.S. agricultural exports and on the reputation of U.S. farmers as reliable suppliers.

I include that section, Mr. President, because agricultural exports are usually the first hit in retaliation. This is the area in which our Nation does best and has, by far, the largest surplus. Therefore, this is of special importance to the American agricultural producers that are the focus of our attention today in this appropriations bill.

A separate section includes similar analytical requirements for any new sanctions the President considers. These include those sanctions imposed by executive order under the International Emergency Economic Powers Act (IEEPA). these requirements must be shared with the Congress before imposing new sanctions. However, the bill allows the President to waive most of these requirements if he must act swiftly and if the challenge we confront is an emergency. The requirements on the President are as rigorous as those on the congress.

FInally, my amendment establishes an inter-agency Sanctions Review Committee to include all relevant agencies in the executive branch in order to coordinate U.S. policy on sanctions.

If unilateral sanctions are approved and implemented, the amendment requires annual reporting on their economic costs and benefits to the United State and any progress they are having on achieving the stated foreign policy goals.

There would also be a sunset provision in each new sanction that would terminate new sanctions after two years unless they are re-authorized by the Congress or the President.

The agriculture provision merits special comment because it singles out American farmers and ranchers whose exports are especially vulnerable to retaliation and whose products are most easily substituted by foreign competitors. American agriculture is heavily dependent on exports. About a third of all of our sales from the farms of this country are in the export trade. Last year, American agriculture contributed a net $22 billion surplus to our balance of trade, more than any other sector. Economic sanctions can have a serious long-term adverse impact on American agriculture. My amendment provides authority to compensate for lost exports through agriculture export assistance permitted under current statutes and agreements. No new appropriations would be required.

To protect American agriculture, my amendment defines humanitarian assistance to include all food aid provided by the Department of Agriculture for the purchase or provision of food or other agricultural commodities. As such they would be exempt from sanctions other than in response to national security threats, where multilateral sanctions are in place, or if we are engaged in an armed conflict.

I have focused many of my remarks on the economic and trade consequences of unilateral sanctions because they are more easily measured. But, the use of sanctions also raises a fundamental question about the effects of unilateral sanctions on the conduct of American foreign policy. Can we further our national interests and promote our values as a nation through the use of unilateral sanctions which distance ourselves from the challenges we face, or can we better accomplish our purposes by staying engaged in the world and keeping our options open to solutions? The answer is not always black and white because sanctions can sometimes be an appropriate foreign policy tool.

On balance, I believe American interests are better advanced through engagement and active leadership that afford us an opportunity to influence events that threaten our interests.

In some cases, unilateral sanctions restrict our ability to take advantage of changes in other countries because trade embargoes impose a heavy bias against dialogue and exchange. Unilateral sanctions may create tensions with friends and allies—including democratic countries—that jeopardize cooperation in achieving other foreign policy and priorities, including multilateral cooperation on the sanctions themselves.

U.S. leadership and American values are better promoted through our presence abroad, the knowledge we share and impart, and the contacts we make and sustain. Many countries want to be exposed to our values and ideas if they are not imposed. The lessons of the free market and democratic values are learned more easily when they are experienced first hand, not as abstractions from a distance and not behind artificial barriers imposed by unilateral sanctions.

Let me suggest a number of fundamental principles that I believe should shape our approach to unilateral economic sanctions: Unilateral economic sanctions should not be the policy of first resort. To the extent possible, other means of persuasion and influence ought to be exhausted first;

If harm is to be done or is intended, we must follow the cardinal principle that we plan to harm our adversary more than we harm ourselves; when possible, multilateral economic sanctions and international cooperation are preferable to unilateral sanctions and are more likely to succeed, even though they may be more difficult to obtain; we should secure the cooperation of the major trading and investing countries as well as the principal frontline states if economic sanctions are to be successful; and we ought to avoid double standards and be as consistent as possible in the application of our sanctions policy.

To the extent possible, we ought to avoid disproportionate harm to the civilian population. We should avoid the use of food as a weapon of foreign policy and we should permit humanitarian assistance programs to function; our foreign policy goals ought to be clear, specific and achievable within a reasonable period of time; we ought to keep to a minimum the adverse affects of our sanctions on our friends and allies; we should keep in mind that unilateral sanctions can cause adverse consequences that may be more problematic than the actions that prompted the sanctions—a regime collapse, a humanitarian disaster, a mass exodus of people, or more repression and isolation in the target country, for example; we should explore options for solving problems through dialogue, public diplomacy, and positive inducements or rewards; and the President of the United States should always have options that include both sticks and carrots that can be adjusted according to circumstance and nuance; the Congress should be vigilant by insuring that his options are consistent with Congressional intent and the law.

In those cases where we cannot build multilateral cooperation and where our core interests or core values are at risk, we must, of course, consider acting unilaterally. Our actions must be part of an overall coherent and coordinated foreign policy that is coupled

with diplomacy and consistent with our international obligations and objectives. We should have a reasonable expectation that our unilateral actions will not cause more collateral damage to ourselves or to our friends than the problem they are designed to correct.

Mr. President, the United States should never abandon its leadership role in the world nor forsake the basic values we cherish in the pursuit of our foreign policy. We must ask, however, whether we are always able to change the actions of other countries whose behavior we find disagreeable or threatening. If we are able to influence those actions, we need to ponder how best to proceed. In my judgment, unilateral economic sanctions will not always be the best answer. But, if they are the answer, they should be structured so that they do as little harm as possible to ourselves and to our overall global interests. By improving upon our procedures and the quality and timeliness of our information when considering new sanctions, I believe we can make that possible. We should know about the cost and benefits of proposed new sanctions before we consider them. That is the intent of my amendment.

I ask that all Members look closely at my amendment and hope you will agree that it is good governance amendment that will help improve the quality and conduct of American foreign policy.

Mr. President, I will conclude by pointing out that a bipartisan sanctions task force has been appointed by the leadership of this body. That task force has met. I look forward to making a contribution to the work of that group.

Mr. President, as I mentioned earlier in the debate today, I visited with the presidents of the 50 farm bureaus in our country. I visited with them because they are concerned about the farm prices that we have been talking about, and I am concerned as well. Very clearly, the farm organizations of our country have a strong and clear agenda, to which I subscribe. They believe that we must pass fast track authority for the President, that we need reform of the IMF and replenish those funds, and that we must have sanctions reform.

The American Farm Bureau has been a strong contributing member to the U.S.A. Engage movement, which now includes 675 American companies who are involved in exporting. The American Farm Bureau and these American companies are companies who say, first of all, that sanctions have to remain a part of our foreign policy apparatus; that unilateral sanctions, those imposed by ourselves, usually fail and usually cause more harm upon us than upon the target countries; that on occasion we may be so outraged that we may be prepared to accept that cost, understanding that the harm to our jobs and our income will be greater than that which we have fostered. But, Mr. President, the farmers of America and their organizations are crying out in this legislation for attention.

I argued on the last amendment that our best policy in this country was to sell grain, to sell livestock—not to store it. I think that is the issue, Mr. President. But if we are to be credible with regard to the export side, farmers and farm groups are saying, ''You must reform. You must do more.'' And I agree with that.

That is why I offered this amendment on the appropriations bill for agriculture, because it is a passionate cry by our farmers to take this concrete action to give some hope that their concerns are being addressed, that, in fact, we are going to move exports, and are going to do so because we are beginning to think more carefully here in this body about what we are doing.

To reiterate the bidding, Mr. President, before unilateral sanctions alone are imposed, there has to be a purpose stated for why we are doing them. And criteria and benchmarks that would show the degree to which we have been successful in interim reports, and an assessment of the cost to American jobs and the lost income. I mentioned $20 billion of lost income in a year and 150,000 jobs. These are not inconsequential. Debates occur on this floor frequently over 100 jobs or 1,000 jobs. I am asking that to consider very carefully these cost implications before we adopt another unilateral sanction. And finally, I am saying that after 2 years there should be a sunset provision. The sanction ends at that point, unless it is authorized again by the Congress or by the President for valid foreign policy reasons. These sanctions go on forever. This amendment is prospective. It deals with the future. I hope the sanctions task force set up by the leadership will deal with the present and past sanctions.

Mr. President, I ask for careful consideration by this body of my amendment. I am hopeful it will be a strong plank in this appropriations bill.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Madam President, I rise in respectful opposition to some of the implications of the amendment offered by my good friend, the distinguished Senator from Indiana, Mr. LUGAR. Now, we all know that sanctions have come under assault of late. It is the politically correct thing to do amidst Senator LUGAR's and my friends in the business community. And I think neither Senator LUGAR nor I has failed to stand up for the free enterprise system and the business community when the community deserved to be supported, which is most of the time.

Nevertheless, there are some powerful corporate interests in this town which have launched a well-financed lobbying campaign against sanctions, all sanctions, in an obvious attempt to convince Congress that all sorts of unreasonable sanction laws have been presented and that these sanctions are something new and unusual and somehow detrimental to the best interests of this country.

On that point I beg to differ. The fact is, as an effective and principled foreign policy tool economic sanctions are older than this Republic itself. What did the American colonies do in response to Britain's imposition of the Stamp Act? The American colonies imposed economic sanctions forcing its repeal as a matter of fact. What did the Continental Congress do when Britain imposed the Intolerable Acts? The Continental Congress imposed economic sanctions on Britain.

Why has Congress always authorized sanctions when needed? This is a question that is worth reviewing, and that is what I propose to do briefly, if it may be possible. Amazingly, some in the business community, and they have always been and will continue to be close friends of mine, have jumped to the conclusion on the recent events in India and Pakistan to pursue their attacks on the U.S. bilateral sanctions. But it is precisely those events in India and Pakistan, the decision by these governments to detonate a dozen separate nuclear weapons, that should heighten our resolve to enforce tough sanctions against governments that seek to destabilize the world.

The fact is, in that instance, Madam President, I believe, and I believe I can demonstrate, that India detonated its devices because of India's fear that the United States was coddling China and bidding friendship for China that ought not to be a part of the foreign policy of this country.

Now, just weeks ago the Senate passed the Iran Missile Proliferation Sanctions Act by an overwhelming vote of 90 to 4. Why did we do that? In order to place a cost on the specific companies for transferring dangerous missile technology to a terrorist regime in Iran which will use that technology to destabilize the entire Persian Gulf region.

Now, we authorize the President to sanction states and foreign companies that threaten the safety of the American people by spreading nuclear, chemical, and biological weapons of mass destruction. We authorize sanctions on states, and when I say the word ''states,'' I mean governments, foreign governments, which provide training, weapons and political or financial and diplomatic support to terrorists who kidnap and murder American citizens. We authorize sanctions on governments involved in the smuggling and transshipment of illegal drugs that poison our children. We authorize sanctions on governments that commit acts of genocide and armed aggression against their neighbors and crimes against humanity.

The question must be faced: Are we unreasonable in doing this? Should we

be ashamed? I do not think so. Obviously, sanctions are not always the answer. I do not contend that they are, but we cannot escape the fact that sometimes they are the only answer.

I think we better face the facts. There are only three basic tools in foreign policy. There is diplomacy, sanctions, and war. Without sanctions, where would we be? Our options with the dictators and proliferators and terrorists of this world would be three: empty talk, sending in the Marines, or withdrawing into isolation. And I for one am not willing to place such artificial limits on our foreign policy options.

But this is exactly, I fear, what the pending amendment proposes to do. Perhaps the Senator from Indiana can persuade me and the remainder, the rest of the Senate that that is not intended and at least make some statements for the RECORD that can be viewed in the future.

In practice, this amendment is not about sanctions reform as it states. It is an obvious attempt by opponents of sanctions and the business community to hamstring Congress' ability to authorize sanctions. The proposed amendment would tie Congress' hands with mandatory waiting periods for the implementation of all sanctions, require mandatory sunsets on all future sanctions laws and define a wide range of congressional actions known or referred to as ''sanctions'' when they are nothing of the sort.

This amendment, I fear, would impose a mandatory 2-year time limit on all U.S. sanctions law. I'm afraid that would be opening a Pandora's box. Imagine if this was the law of the land when the United States enacted the Arms Export Control Act which prohibits the sale of sophisticated weapons to nations that the State Department determines annually support terrorism—governments like Syria, Iran, Iraq, Libya and North Korea. Would we have wanted those sanctions to be eliminated under an arbitrary 2-year timetable? I think not.

Further, what exactly is meant by the term ''sanctions''? The pending amendment, it seems to me, breaks new ground on what henceforth would be considered a ''sanction.'' Under this amendment, it seems to me, the denial of U.S. foreign aid would be deemed a sanction. Any conditionality on U.S. funding to the World Bank or the IMF would be a ''sanction'' on a foreign government. And let me remind Senators that since it was created in 1945, American taxpayers have anted up billions of dollars for the World Bank and now the antisanctions crowd tells us that we can't place any conditions on the expenditures of those funds.

According to a recent report by the USIA, the conditions placed by Congress on U.S. foreign aid to the Palestinian Liberation Organization are a ''sanction.'' Really? Conditioning U.S. foreign aid to the PLO—an organization whose modus operandi for most of its existence has been killing innocent civilians—is now deemed a sanction?

What this amendment, I fear, proposes to do is to enshrine U.S. foreign aid giveaways as an entitlement, an entitlement to foreign countries.

Wait one moment before jumping to conclusions. While this amendment expands the definition of sanctions to absurd proportions, it doesn't cover all sanctions. Oh, no. You see, our friends in the business community—and they are my friends, and they are Senator LUGAR's friends—and their lobbyists who helped write this amendment have quietly carved out an exemption for bilateral sanctions they like—sanctions that directly benefit them. The same folks who are busy telling us that sanctions don't work and should be scrapped, have ensured that certain retaliatory trade sanctions are exempt from the restrictions of this legislation.

The way some in the business community have influenced the crafting of this amendment, Congress would be hamstrung in implementing sanctions against any nation that poses a threat to the safety of the American people, even if a government proliferates dangerous weapons of mass destruction, commits genocide, or supports terrorists responsible for murdering American citizens. But, if they flood the American market with cheap television sets—whoa, that is a different proposition. We can throw the book at them.

Under this amendment, the President would be prohibited from implementing sanctions against any country for at least 45 days, supposedly under the guise of a ''cooling off'' period. On the surface, that sounds pretty reasonable. But in practice, a 2-month lapse is not only foolish, it can be downright dangerous.

One example—after the Libyan terrorists blew up Pan Am flight 103, murdering 263 innocent citizens in cold blood, the United Nations spent months and months debating appropriate actions against Libya. Meanwhile, Libya divested itself of most reachable assets in order to avoid the impact of sanctions. So the pending amendment would essentially afford other terrorist states the same courtesy. While the United States ''cools off'' for 45 days, the terrorists, the proliferators, the genocidal dictators, would have 2 months to quietly divest their finances and conceal the evidence and provide safe haven for fugitives. That strikes me as being something short of reform.

The pending amendment would not place these requirements on multilateral sanctions. Of course, multilateral sanctions are more effective than bilateral sanctions. But, should the United States be handcuffed to the will, or more likely the lack of will, of the so-called international community? Should we tie our hands to the whims of our European ''allies''—and I put quotation marks around allies because their slumping welfare state economies are driving them to employ increasingly mercantilist foreign policies.

Right now the United States is waging a lonely battle at the United Nations to stop our allies from caving in and lifting U.N. sanctions on Iraq. If it were up to the French and the Russians, international business would be rushing headlong into Baghdad to renew commercial ties with Saddam Hussein, notwithstanding his continued defiance of U.N. weapons inspectors. Yet, we should give these people a veto over our national security policy that was won through the sacrifice and courage and blood of American men and women just 7 years ago?

I believe we need sanctions reform. One reform we might consider is requiring that the sanctions which Congress passes would be actually implemented. Not long ago, Congress passed the Iran-Libya Sanctions Act—a targeted law much of whose language, I might add, was drafted by the Clinton administration itself. Live on CNN, the President signed it into law with great pomp and circumstance. But then, when the time came to implement that law, the President lost his nerve and the U.S. foreign policy suffered yet another devastating loss of credibility.

The distinguished majority leader, Mr. LOTT, and the Senate minority leader, Mr. DASCHLE, have established a bipartisan ''sanctions reform task force'' to determine if, as critics have complained, Congress has gone ''sanctions mad.'' This, in my view, is a wise plan, and I serve on that task force; the Senator from Indiana serves on it, as does Senator GLENN and other interested Senators from both parties. The first question we are seeking to answer is, What is a sanction? In fact, we are having a hearing planned for July 31 to study this and other questions.

In conclusion, Madam President, instead of rushing forward with any sort of ill-considered amendment—and I say that as respectfully as possible—the ramifications of which are unknown to most Senators, we should let that task force do its work and consider ways Congress can strengthen its consideration of proposed sanctions laws.

Those who are prone to criticize the ''impulsive'' actions of the U.S. Senate, actions which I happen to believe are motivated by a devotion to the security of this country and its people, should themselves be wary of impulsive ''one-size-fits-all'' solutions such as this amendment.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold his request?

Mr. HELMS. I certainly will.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. JOHNSON. Madam President, I will be very brief. I commend my colleague from Indiana for his sponsorship of this amendment to the agriculture appropriations bill. In my view, it is long overdue that this Senate develops

a more thoughtful, more deliberative, a more analytical approach to our sanctions strategy on the part of the United States.

An observer noted during this discussion last week that Congress is in general opposed to sanctions, but in specific supports each one of them that comes along—all too often, sanctions that are contradictory, that are counterproductive, that do not, in fact, carry out the goals of the sanctions themselves. So I think the framework that Senator LUGAR of Indiana has developed, which would cause us to approach this in a much more analytical perspective—to see to it that we have a cost-effectiveness that results from our sanctions, or even if it doesn't, that we deal with the sanction from that perspective—I think makes all the sense in the world.

It is true that sanctions most often are effective when they are multinational in nature. There is nothing, as I understand Senator LUGAR's amendment, that says we can only engage in multinational sanctions. We can engage in unilateral sanctions if we so choose. We can engage in sanctions that may not be cost-effective, if we so choose. But we ought to be fully cognizant of the nature of the sanctions and their consequences if, in fact, we are going to go down those roads. It is not tying our hands, it is not tying the hands of American foreign policy or trade policy or economic policy, to know with certainty what it is we are doing and to approach it in the kind of thoughtful manner that Senator LUGAR suggests.

There is nothing in this amendment, as I see it, that constitutes the development of an entitlement for foreign aid or anything of that nature. I think that is a gross misreading, not only of the intent, but the actual effect of this amendment. There is nothing that would restrict the ability of the American Government to impose sanctions as a response to terrorism or genocide or the development of weapons of mass destruction. It does not tie our hands in that regard.

I want to say that I think we made a step in the right direction this past week with the handling of the sanctions that were about to be imposed on Pakistan in terms of agricultural sales. I think it is appropriate that this amendment be brought up in the context of this particular bill.

Again, I thank the Senator from Indiana for a great deal of work, a great deal of thought and care that has gone into this. The foreign policy of the United States and oversight that this body, the U.S. Senate, can exercise will be enhanced and not detracted from by the adoption of this amendment.

I yield back my time.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I, too, rise and commend our colleague from Indiana for this amendment. I am proud to be a cosponsor of the amendment, along with a number of my colleagues. To use the language in another situation, this is indeed a very modest proposal. This is prospective. It affects none of the sanctions that are presently in place.

As the Senator from Indiana has rightly pointed out, sanctions are a very effective and useful tool when applied well. I think the threat of sanctions may have an even greater impact in utility. I certainly agree with him on that.

What he is merely asking us to support today is that when a proposed sanction is being suggested by the executive branch—by the way, I wish we were applying this to ourselves because too often, when the Congress of the United States offers sanctions legislation, which is oftentimes where these bills originate, we should also be asking the question of what is the cost-benefit effect of this proposal. It doesn't say don't impose the sanction. In fact, there may be situations that arise when, in fact, the outrage is so egregious that is the subject of the sanction that we would be more than willing to pay the economic price to impose it. This amendment does not preclude that result. It merely suggests that we have some ability to make an analysis of what that relationship would be and to ask for a few days to allow for objective analysis of what the sanction cost might be. I hope this will enjoy strong, unanimous, bipartisan support.

We have heard eloquent statements made on the floor of this Chamber, Madam President, over the last several weeks, as I think all of us have begun to focus on sanctions policies as a result of the tragic events in India and Pakistan with the detonation of nuclear weaponry. That was a very sad occasion, still a very worrisome occasion in terms of what it means and the implications for us in the near term and longer term.

If there has been any silver lining, if you will, in these clouds, to draw an even tighter analogy, it is that I think everyone in this Chamber has stepped back a little bit and said,

> What are these sanctions policies and how do they work? What is going on here? Are we really achieving the desired results that are the subject of our rhetoric in speeches? Are we causing policies to be changed in countries on whom we impose sanctions? Are the political elite of these nations affected by our policies? Are they in some way being impacted by these decisions? What damage do we do to ourselves in the process as a result of sanctions being imposed? Are average people in these countries, who have nothing to do with setting policies, being affected in some way? What does that do in terms of eroding support for our country and our policies where public support in foreign countries can be pivotal in unpopular decisions that may have been made by allies of ours around the world? What sort of corrosive effect do sanctions have on those decisions?

I think these are good questions that deserve answers. What the Senator from Indiana has suggested is that, at least in one aspect of these, that we know and understand what the cost-benefit relationship is.

Madam President, at a later point in this debate, I will offer another amendment dealing with food and medicine, to merely just take food, medicine, and agricultural products off the table as a tool of sanctions, for the primary reason that I don't think it has any impact on trying to modify the behavior of nations on whom we have a substantial or less-than-substantial agreement. I will wait for the appropriate time to do it when this debate is concluded.

I also have authored, along with my friend, whom I see on this floor, who has cosponsored that amendment, Senator HAGEL from Nebraska, Senator ROBERTS from Kansas, Senator WARNER from Virginia, Senator BURNS from Montana, Senator DORGAN from North Dakota, proposals that will deal with a broader issue of how sanctions ought to be dealt with. But I will save that debate for a later day. It is a broader question and one for which we have a task force taking a look at some of these issues. I certainly want to make sure we are heading in the right direction.

On the food and medicine and agricultural products, I think that makes a lot of sense, and I will offer that at the appropriate time.

I conclude by urging my colleagues to be supportive of the Lugar proposal. It is a significant step in the right direction and one that I think deserves broad-based support as we try to sort out how best to advance our foreign policy interests while not unnecessarily doing damage to our own Nation and to innocent people around the world, particularly in the unilateral application of these sanctions.

With that, Madam President, I yield the floor.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Thank you, Madam President.

I rise to support Senator LUGAR's amendment. I am an original cosponsor of that amendment. I am an original cosponsor of the Lugar amendment because I believe the Lugar amendment applies some common sense and some relevancy to the issue of sanctions.

I know that we have a bipartisan task force on sanctions. I think most of this body supports the efforts of that task force, but I don't see any conflict in what Senator LUGAR is proposing today, and what Senator DODD and others will propose later, with the task force assignment.

It is interesting to note that since 1993 we have imposed 65 unilateral sanctions on 35 nations. We have some responsibility to give some focus and some understanding to our trade policy, which is part of our foreign policy, which is connected to our national security, which is connected to our economy and jobs and growth and productivity.

I fail to appreciate why this is not relevant, why this is not important. This is not getting in the way of the task force. The task force, as I understand it, is to help frame up this issue.

This amendment would not undo any existing sanctions. This amendment would establish a process for a more rational consideration of future use of sanctions. Sanctions surely must remain a tool of foreign policy, but sanctions are not foreign policy. Sanctions are only effective when they are multilateral. The world is dynamic. The world is changing. Trade is spherical. It moves. It will move right over the top of us unless we attempt to manage the movement.

Every great event in history has produced new opportunities, new challenges, new threats, new uncertainties, and the collapse of the Soviet empire has given the world great new opportunities and hope. Only one nation on Earth can help lead the nations of the world to that hope and opportunity, and trade surely must be a major part of that.

Why in the world would we continue to impose unworkable, unachievable, outdated, irrelevant policy rather than looking forward, getting us into the next century, with the promise that only this country can give?

Does anybody really believe, in this body, that any nation on Earth cannot get any service, any commodity, any product if they want it from some other nation? Of course not. This is a new world. Both the President and the Congress want some control of the issue of sanctions. We want some definition of what this is about. The Congress of the United States owes this Nation some leadership on this issue. The President must lead on this issue.

Senator LUGAR has described his amendment in detail. It would sunset new sanctions after 2 years. The way it is now, Madam President, we go on and on with sanctions. This amendment starts to clean up sanctions. Do we need them? Are they relevant? Does the world change? I fail to see that that is a threat to our foreign policy and to those who wish us ill.

It would require cost-benefit studies. My goodness, imagine that. What a terrible thing—a cost-benefit study. It would require an effort, first, to make sanctions multilateral. It would require an evaluation of whether a sanction is likely to achieve its policy goal. Again—again—what a questionable objective. My goodness, actually focusing on an action and figuring out, if you can, if there are consequences, if it is workable.

I know some in this body care occasionally about a headline, about a press release.

A CRS study, January 22, 1998—this year—listed 97, total, unilateral sanctions now in place. Since that report came out, we have added sanctions against India and Pakistan, for a total of at least 99 sanctions now in place. We dealt with some of that a little earlier.

A study by the National Association of Manufacturers found that from 1993 to 1996 we imposed, as I mentioned, another 61 sanctions. These 35 nations—these 35 nations—where we have imposed these sanctions make up 42 percent of the world population. Almost half of the 5.5 billion people on the Earth are included in these sanctions and 19 percent of the world's export market—$800 billion.

Who are we kidding here? Who are we hurting? We are not isolating anybody except ourselves. We are isolating our producers, our farmers, our ranchers, our manufacturers. We are isolating ourselves. And for what end? Bring a little sanity and common sense to this? I think so. I think so.

I might add, is there something really wrong about business actually stepping into this debate? Is there something really wrong about having business say, ''Gee, we're being hurt''? Is that a special interest? Is American business a special interest? Is industry a special interest, people who work in business and the industry, produce jobs, create wealth, pay taxes? Be careful of that special interest. Be careful of that special interest. That is America. That is why we are the most powerful, dominant, free nation on Earth.

A new study by the International Institute of Economics estimates that, in 1995 alone, unilateral sanctions cost Americans $20 billion in lost exports, losing 200,000 jobs. That does not include, Madam President, what is referred to as the ''downstream loss.'' The downstream loss, when you lose markets—it means the suppliers and the jobs and the adjunct jobs—no way to really calculate that.

The National Foreign Trade Council has identified 41 separate legislative studies on the books that either require or authorize the imposition of unilateral sanctions.

Well, it goes on and on. The fact is, Madam President, what Senator LUGAR is doing is important. It is really relevant to today. It is more relevant to our future. It is relevant to our place in the world. What is the U.S. interest in the world? It is relevant to our children, and it is relevant to everything we are and who we are. That is why I strongly support this, why I was an original cosponsor, and why I urge my colleagues to vote in favor of this amendment.

Madam President, thank you. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, let me applaud the Senator from Nebraska for a statement that I think was eloquent and filled with good sense. And I certainly want to associate myself with the remarks he has just made. And even though we were on different sides of the previous amendment, let me say, as I did previously, the Senator from Indiana is a very respected Senator, someone for whom I have great respect on foreign policy issues.

I am pleased to be here to speak as a cosponsor of the amendment that he has offered. It makes good sense to me. And I say, I think, as the Senator from Nebraska said, I would only go further than this. I certainly support this. I think it is a step in the right direction, but there is even more that we can do.

The question that is required to be asked now is, When we impose sanctions around the world, for various purposes, many of them important purposes that deal with national security and other issues, should those sanctions include the shipment of food and the shipment of medicine?

Frankly, I wonder if anyone believes that Saddam Hussein has ever missed a meal because of sanctions imposed by this country. Does anybody believe that Saddam Hussein has missed a meal? I do not think so. We cut off food shipments to Iraq. And if Saddam Hussein is making all of his meals, guess who misses their meals? It is almost always the poor and the hungry who are injured when you cut off shipments of food.

Does anybody believe that Fidel Castro does not eat well nearly every meal when he chooses to have what he wants to eat? But when we cut off food shipments to Cuba, we know that it will be the poor and the hungry who will be injured by that.

Our country, for very legitimate reasons, says we are very concerned about what is happening in Iraq, Iran, Libya, Cuba, and more. For legitimate reasons we say that. I am sure the Senator from Indiana, at greater length than any others of us, could recite the foreign policy issues and the national security issues that attend to those countries and their relationship with us and others in the world.

But the question before us is not, Should we be concerned about those countries? Of course we should. The question is, When we impose sanctions, what should those sanctions contain? Is it in our interest and in the interest of the hungry and the poor around the world to include in those sanctions the withdrawal of shipments of grain and the withdrawal of shipments of medicine?

I have clearly an interest here on behalf of family farmers. I represent one of the most agricultural States in the Nation. And nearly 10 percent of the market for wheat is out of limits or off limits to our family farmers because we have decided to impose sanctions and therefore take those markets off limits to our farmers. Does that cost farmers money? You bet. It takes money right out of their pockets. They are, in effect, told by these sanctions, ''You, Mr. And Mrs. Farmer, you pay the cost of these sanctions. You pay the cost as a result of lost income.''

Where I would go further is, I would support and am a cosponsor of an amendment that will be offered by Senator DODD, and I think cosponsored by Senator HAGEL, saying, let us not include food and medicine in future sanctions. That is not appropriate as part

of sanctions. I am a cosponsor of that amendment to be offered. I would go further to say, this country ought to decide, if it is to impose sanctions in the future, or for sanctions that now exist, it ought to reimburse farmers for the cost of those sanctions. Why should this country simply say, ''Here is our desired effect, Mr. and Mrs. Farmer. You pay the cost of it''? If it is for national security, let it come out, then, of the national security accounts from which we pay for many other matters, and say to family farmers, ''We'll reimburse you for those lost markets.'' That is an amendment I am thinking of offering to this as well. We will see what results from that.

But it is required, I think, to say, as we discuss this issue, as I said earlier today, there is some horrible disconnection in this world.

Halfway around the world there are people in Sudan, we are told, old women, climbing trees to forage for leaves to eat, leaves because they are on the abyss of starvation; a million to a million and a quarter of them are on the edge of starvation because they don't have enough to eat.

Turn the globe another halfway around and you will find America's farmers, who are the economic all-stars, produce food in abundant quantity, and they are told in our system that when they take that grain which represents that food to market, that their product doesn't have value, doesn't have worth. There is something that is terribly disconnected about that.

I have been in many parts of the world. What I remember most about the desperate poverty and hunger that exists, for example, is in the desperate slum called Cite Soleil, on the outskirts of Port-au-Prince, Haiti. You see poverty as bad and conditions as desperate as anywhere else in the world. I leaned over a crib where a young child was dying of starvation in one of the worst slums you can imagine. This child had no one. The child had lost most of its hair; what hair was left was turning red as a result of severe malnutrition and starvation. This child, the doctor told me, was dying.

I thought to myself, there is such a terrible, terrible, disconnection here because we produce food in abundant quantity. How on Earth can moving food around the world to all parts of the world that need our food in a way that connects our interests to the interests of those who need it, how on Earth could that ever threaten our national security? It does not and it could not.

The Senator from Indiana offers an amendment on the issue of sanctions. It is very simple. It describes sanctions in the future. We ought to deal with sanctions that now exist, as well. It describes conditions for the imposition of those sanctions that deal with unilateral sanctions. It says the Secretary of Agriculture should use export assistance under various programs to offset any damage or likely damage to producers and so on.

I fully support that and I am pleased to be a cosponsor, but I say again we have much, much more to do. Hubert Humphrey, many years ago, used to say, ''Send them anything they can't shoot back.'' What he meant by that is it will never injure our national security interests to send American food around the world, to sell it in markets where we can sell it, and to move it to other markets under title II and III under Food for Peace, and in some cases, title I, in other markets where they cannot afford to purchase it. It is always in our best interest. Is it in the best interest of farmers? Of course, but it also happens to run parallel to the national interests of our country.

Let me finish where I began and say I am pleased to vote for this amendment, pleased to be a cosponsor, and will cosponsor an amendment that will go further, that Senator DODD will offer, and may offer one myself, that deals with present sanctions and reimbursement to farmers for those sanctions, saying that the Government ought to not force them to bear the full burden of the cost of sanctions.

But I thank the Senator from Indiana for offering this amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I do not intend to delay matters at all. Whenever the chairman is ready to go, I certainly won't be on my feet. I want to rise and congratulate Senator LUGAR and those who helped put his amendment together. I am a cosponsor, but I don't take credit for any of the innovation and thoroughness of this work.

I just want to say on a very personal note that every now and then when you see things out in our country or in the world sort of mixed up, and you see mixed signals, you wonder just what is our country doing, and somebody like DICK LUGAR comes along and makes sense out of something that appears to be just a mess.

There can be no question, whatever support there is in this body for sanctions—and clearly they must be an instrument, a tool—whatever support there is for that concept does not mean our country ought to be living under a ''quilt'' of sanctions, many of which are just bilateral between us and some country, when we already know that many of them don't work or they work to our detriment.

Here we sit today with an emerging crisis in agriculture, probably mostly from the Asian flu; that is, from the failure in the Asian markets because of their banking systems falling apart, and those people can't buy the products they were buying. Nonetheless, when we added Pakistan for something they did, which we were all worried about, and they depended upon our grain and that kind of product to feed their people, obviously American agriculture is hurting.

Now, there are some who would like to make it that the new legislation creating an open market at some time in the future, a totally free and open market, is the cause of the problem. That is not the cause. The cause is that America's trading in foodstuffs and products from our farms is not working as well as it should because we have done something that is harming it, or failed to do some things that would cause it to work better.

Let me repeat one more time, why in the world are we still holding up IMF? If we want to reform it, why don't we reform it and pass it? There is hardly anybody in agriculture or American industry that hires our people that doesn't think we ought to do that.

Now, Senator LUGAR would like to do that. That isn't what he is doing here today. He is doing the next best thing. If that isn't a prescriptive manner, postmanner, trying to get rid of some of the nonsense of the unilateral, bilateral and multilateral situations that we have where we say we can't sell countries our product. Why don't we get on with fast track? If you want to talk about what would help our farmers, that is what would help. Get America's trade markets open so they can sell their products.

Obviously, what we are doing here today is a very rational, sensible approach to a very, very, confused set of policies which are not working to America's benefits, which we can pass and then sit back and say we did something. Isn't that great; we did something. We never measured it. I gather the new guidelines will ask us to at least measure before we do it; is that correct, Senator LUGAR?

Mr. LUGAR. Yes.

Mr. DOMENICI. At least measure before we do it.

I commend you again, Senator LUGAR. You have done it a number of times before. We have been here a long time together. I regret, even though the color of your hair might indicate to the contrary, I have been here longer than you. Nonetheless, we have been here a long time together. I do compliment you because every now and then when things are confused, you make up for that and come up with something like this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. Madam President, I would like to join the chorus of well-deserved accolades—common-sense, I guess, accolades for the distinguished Senator from Indiana, the outstanding chairman of the Senate Agriculture Committee.

The Senator from New Mexico has summed it up very well. I am not going to take the Senate's time to repeat what has already been said in regard to this debate. Senator LUGAR has already done that. Others have done that.

I do have a statement that involves obvious ''golden words of truth'' in regard to this issue that I will simply insert for the record, but I do want to say

again that the use of sanctions as a foreign policy tool have skyrocketed since the conclusion of World War II. The last 4 years, as has been said on the floor, 61 new U.S. laws or executive actions were enacted authorizing the unilateral sanctions against 35 countries, and in all, over 70 foreign nations representing 75 percent of the world's population are currently subjected to a unilateral sanction by the United States.

These are easy perceptions, I guess, actions that people take. I think in earlier days we used to call it gunboat diplomacy. Maybe we sent a gunboat over to a nation to demonstrate our unhappiness with a foreign nation and their policy. But there have been terrible repercussions in regard to these sanctions. They do not achieve their policy goals. They are very counterproductive, and as has been indicated by some across the aisle, and others, we shoot ourselves in the foot. So the distinguished chairman has, for a considerable amount of time, taken a look at the overall objective of sanctions and what has happened in a counterproductive way, not only to U.S. agriculture, but the entire U.S. economy and the global marketplace. He has come up with a comprehensive, thoughtful approach, and it is commensurate with the debate that will take place and the discussion that will take place in this body with regard to sanctions reform overall.

There are those of us—Senator DODD, Senator HAGEL, Senator BIDEN, as well as Senator LUGAR and myself—who want to take a look at all of the sanctions that we have in place. And that is appropriate. We have taken action in a 98–0 vote last week regarding the GSM program and the possibility of selling wheat to Pakistan. The chairman was a real leader in that effort. We have taken action now by unanimous consent on the India/Pakistan situation, which will give the administration flexibility to deal with that issue. The next logical step is to consider, and I think favorably pass, the Lugar reform initiative. So I stand in solid support of the chairman for what he is trying to do.

Madam President, U.S. influence, prestige and resolve in foreign affairs currently rests at a cross-roads. The United States, which has prided itself on providing international leadership through strength and by example, has increasingly turned away from that legacy by embracing ambivalence and sanctions instead of engagement and respect. Nowhere is this more clear than in the area of unilateral economic sanctions.

The United States in recent years has developed a seemingly uncontrollable desire to show our displeasure over a specific action, behavior or belief in a foreign country by punishing that country through the imposition of unilateral sanctions. Regardless of whether a Republican or Democrat was President, regardless of whether Republicans or Democrats ran the Congress, the use of sanctions as a foreign policy tool has literally sky-rocketed since the conclusion of the Second World War. In fact, in just the last four years, 61 new U.S. laws or executive actions were enacted authorizing unilateral economic sanctions against 35 countries. All in all, over 70 foreign states representing nearly 75 percent of the world's population are currently subjected to unilateral sanctions by the United States.

Unfortunately, with few exceptions, sanctions very rarely work. In order for sanctions to be successful, the United States must—absolutely must—convince the entire rest of the world to join our boycott. Unless this occurs, the sanctioned country simply gets what it needs—food, financing, etc.—from the other countries that chose not to join the Sanctions Circle.

There are two serious repercussions when this happens. First, the sanctions hurt us instead of their intended targert. Yes, that's right, when U.S. businesses lose access to markets for their products, U.S. workers lose job opportunities. So instead of joining us in professing outrage about some particularly repugnant act, foreign governments simply feign indignation while they quietly slip in to take away business from U.S. companies. And if you don't think that's true, just ask a foreign businessman or government official whether they support or oppose the American penchant for unilateral sanctions. They love it and they hope it continues.

Yes, this is the second repercussion. Foreign governments—even our allies—have figured out that by refusing to join the United States in imposing sanctions, their countries actually benefit. What a bonus! They can stick it to the United States and create new markets for their businesses at the same time! As a result of this revelation throughout the world, it has become nearly impossible for the United States to build a unanimous case for sanctions against anyone.

Just look at Iraq. If ever a case could be made for sanctions, Saddam Hussein is the poster child. After all, armed aggression against a peaceful neighbor and use of weapons of mass destruction on one's own citizens are truly reprehensible offenses, right? Surely Iraq deserved tougher sanctions when Saddam refused to accept U.N. weapons inspectors just a few months ago, right? Wrong. When Saddam pulled his latest stunt, the vast majority of the world flatly refused to support further sanctions. If we can't build a case for sanctions with Saddam Hussein as our target given the utter disregard he has shown for the United States and the rest of the world, will we ever be able to? I wonder.

Where do sanctions come from anyway? They usually are issued by the President under the authority of at least twelve different laws governing international affairs. Again, in recent years, sanctions have been used far more frequently than ever before in U.S. history. This isn't an indictment of the current administration or any previous administrations; it is simply an assessment of how U.S. foreign policy is changing. Instead of using our influence and diplomacy to encourage good behavior, we attempt to use our power to punish bad behavior. And as I've just discussed, whether used as a threat to try and prevent unwanted actions or imposed as a punishment for undesirable actions, sanctions rarely work.

Although most sanctions are imposed directly by the President, unilateral sanctions can be particularly damaging when they are imposed by Congress. The President of the United States is the Commander in Chief of our country. He is charged with implementing our foreign policy. While the Congress can and should be involved in the construction of that policy, the President is ultimately responsible for implementing it. When the Congress forces the President to impose sanctions on a country for a given action or behavior, it takes away the flexibility the President needs to address distinctly different foreign policy problem that may arise. The Congress basically says, ''we don't know or care what caused the action or behavior; however, we insist that you impose these sanctions regardless of what the ramifications may be.'' That is a dangerous and irresponsible manner in which to conduct U.S. foreign policy.

Let me make one other point regarding the perception of the United States abroad. Foreign countries and their citizens do not distinguish between U.S. military/diplomatic policy and U.S. trade policy. To them, they are the same thing. To them, it's just plain, old-fashioned U.S. foreign policy. When the United States imposes unilateral economic sanctions, when we fail to pass fast track negotiating authority, when we fail to renew IMF funding and when we threaten to withhold regular trading status with China, the prestige and authority of the United States in foreign affairs is greatly and permanently diminished.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Madam President, I would like to speak to this amendment and express a contrary view to that expressed by my colleague who has just spoken. With all due respect to the Senator from Indiana, who has put a lot of work into this, and who has offered the amendment, and while agreeing with much of what is in the amendment and much of what he proposes to try to do, I have to object for two reasons to the consideration of the amendment at this time.

First of all, it is in reaction to—at least partially, although he has been at this for a long time, and understanding that we do need to make some

changes—what has occurred with the sanctions placed on India and Pakistan. We just resolved the issue with India and Pakistan primarily because of the amendment we just passed, which eliminates the agricultural component, broadly defined, of the India/Pakistan sanctions. Therefore, to the extent that my colleague, Senator ROBERTS, was just speaking, and others who have talked about the impact on our farmers as a result of the imposition of those sanctions, we have solved that situation.

As a matter of fact, if you analyze the other sanctions imposed as a result of their nuclear tests, it gets down to a very narrow issue of some Eximbank loans or World Bank loans primarily and, therefore, I urge us not to rush into a consideration of this amendment on this particular appropriations bill because of the need to fix something that was not done with respect to India and Pakistan, when we have already begun to solve that problem.

Secondly, because of the fact that sanctions have not always worked as we have desired them, and because of the obvious deficiencies with the sanctions imposed on India and Pakistan, the majority leader has appointed a bipartisan task force, consisting of Members of both parties, with different backgrounds, to deal with this question. We had a meeting yesterday.

I am somewhat shocked that the Senator from Indiana would offer this amendment today, because yesterday he said that he wanted to preserve the option of proposing this amendment at some time in the future. But he seemed to agree with the majority opinion expressed there—in fact, all but one of the Members, in one way or another, expressed a view that a September 1 deadline was somewhat unrealistic in trying to deal with this problem. The Senator did preserve his option to offer an amendment at a future date, but I am shocked that it is offered today because the task force has not had an opportunity to review this matter in any depth.

Madam President, I would like to now discuss some of the things that we talked about yesterday, which I think will illustrate the fact that this amendment is prematurely offered at this time. Again, notwithstanding the fact that the goals behind it—to review broadly our sanctions policy and some of the specifics about it, and to be more careful about how we impose sanctions—are both worthwhile and, in many respects, something we can all agree on, one of the things we can't agree on is a definition of what a sanction is. There is a broad definition, according to the Senator from Indiana. I wonder whether we are really ready to apply the limitations and the tests that are called for in this amendment to foreign aid reductions, because as I read the proposal, one of the sanctions would be a reduction or elimination of foreign aid.

U.S. aid is not an entitlement. We are going to make different decisions every year about how much foreign aid we may want to give to a country. Should that be subject to the limitations imposed in this amendment? How about export controls on sensitive U.S. technology?

We just came from a very highly classified briefing of a committee that was specially appointed to examine the missile threat to the United States. That report is, I must say, extraordinarily concerning, I am sure, to everybody who received it. On some of the countries that pose this threat to us, we have imposed stringent export controls with respect to sensitive technology going to those countries, which could assist them in the development of their ballistic missile technology programs. Are we going to impede the President's ability and Congress' ability to impose those kinds of limitations on the sensitive export of technology to countries that we don't want to have that technology? As I read the amendment of the Senator from Indiana, that is all covered.

We need to have a common definition of what a sanction is in order to apply these kinds of limitations. And there should not be a 45- or 60-day—I think it is now reduced to 45 days—waiting period. There are all kinds of things that would cause either the President or Congress to want to impose sanctions right away and not wait 45 days.

Mr. MCCONNELL. Would the Senator yield for a question?

Mr. KYL. I am happy to yield.

Mr. MCCONNELL. Madam President, I am not sure I ought not to propound this question to the Senator from Indiana.

It is my understanding that this morning the President announced sanctions and trade reductions, under the International Emergency Economic Powers Act, against certain Russian companies. Is it the understanding of the Senator from Arizona that that is the kind of sanction that might not be allowed under the Lugar amendment?

Mr. KYL. Madam President, I will give the Senator my understanding of it, but I would be pleased, also, to refer that question to the Senator from Indiana. As I read it, that kind of sanction would, of course, be controlled by the 45-day limit, and the rules of the Senate that would apply, and so on. I think the Senator from Indiana should defend his own proposal.

Mr. LUGAR. I thank the Senator.

Mr. MCCONNELL. Then I pose the question to him.

Mr. LUGAR. Clearly, the President, in the case of an emergency, has a right to impose whatever sanction he wants. There is no prohibition. Obviously, when national security is involved—and the national security situation is explicitly mentioned—I think that is important. But I ask the President to tidy things up. In other words, after imposing the sanction, he should state, if he has not already, the objectives and benchmarks and the cost to the American people of jobs and income. Some administration people have objected to the President playing by the same rules as the Congress. Nevertheless, the amendment is even-handed. He has to fill it in. But he has emergency powers, of course.

Mr. MCCONNELL. So, if I can follow up with the Senator from Indiana, is that the 614 national security waiver? Does that sort of override everything? Is that some sort of override?

Mr. LUGAR. If that is the correct text of the national security waiver, yes.

Mr. KYL. We will get back to that because I am not sure—if that is the intent of the Senator, I will have to see whether or not, in fact, it is effectuated.

Let me get to another national security issue. We have, I think, come to the conclusion—most of us, but not all in this body—that it would be a mistake to put an explicit time limit, for example, on our presence in Bosnia, or an explicit time limit on certain other kinds of military activities or threatening national security activities because, of course, what that does is enable the party against whom the action is being taken to simply ride it out and to understand if they can just get by the next 60 days or 6 months, then they will not have to worry about that. So we have always taken the position that when it comes to this kind of thing—national security—our actions should be somewhat open-ended to ensure that the other party begins acting in the way that we would like to have that party act.

Obviously, when you have a 2-year sunset on these kinds of sanctions, you eliminate that flexibility. I think that is one of the reasons why most of us have tended to want to support the kind of review and analysis about which the Senator from Indiana is talking. Clearly, that kind of thing should be done. But there should be a mechanism for the Congress and the President to, in effect, pull the plug on a sanction whose time has run rather than to have an arbitrary time limit for its imposition.

If the Senator from Indiana would like to respond, I am happy to yield.

Mr. LUGAR. Madam President, to answer the question posed, both the President and the Congress can reauthorize the action after two years. Additionally, they are constrained simply to explain how successful things have been and what their objectives were to begin with. But the law—at least my amendment—explicitly gives them the ability to reauthorize. They have to take that affirmative action.

Mr. KYL. If I could, Madam President, go to another point; that is, the failure to discriminate among or between different kinds of sanctions.

The amendment, as I read it, treats all sanctions alike. It does not differentiate between sanctions imposed for the transfer of nuclear technology, for example, or the exploding of nuclear devices in violation of treaties, and

sanctions imposed for less dangerous activities, for example. In a sense, when one reads it, it appears to condone sanctions which have as their goal the promoting of trade but severely restricts sanctions for other purposes.

I understand that the Senators from farm States have been very concerned about limitations on exports of agricultural products.

As I say, I think we are all pleased to support the amendment which enables India and Pakistan to import American agricultural products. But I think we ought to examine this in a balanced way and understand that many of the sanctions are imposed for national security reasons. I think most of us understand that national security has to take a front seat to other considerations of a lesser degree of priority, if, in fact, it has gotten to the point that the country, either the President or the Congress, thinks it is in our national interest to impose sanctions. Yet, under the sweeping definition of a sanction here to mean literally ''any restriction or condition on economic activity,'' it appears there is no differentiation to account for the differences in reasons why we impose sanctions.

For example, as I said before, we may have a reason to sanction a particular country, or a particular kind of trade activity, because of the national security implications of that. With respect to China, for example, we require a special waiver for certain kinds of technology transfers, or the launching of satellites, just to cite one example. It seems to me that is an entirely different kind of sanction than the typical kind of trade sanction on imports or quotas that we might apply for some other reason.

I think it is very important for us to try to come to some agreement on a definition of just exactly what is a sanction before we begin applying across the board a set of rules that would automatically sunset sanctions after 2 years; that would require a 45-day time period before sanctions could be implemented; that would change the rules of the Congress, in effect, after first stating that it is our policy that these things should be done, and changing the rules of the Senate to ensure that policy is affected.

It seems to me that we have time to deal with this now since we have dealt with the immediate emergency. The leader has appointed a task force, and we have identified this as one of the things that we need to do in this task force so that we are clear about the differentiation between the different kinds of sanctions before we begin identifying what kind of limitations should be placed upon each of them, and, therefore, that consideration of this amendment at this time is premature notwithstanding the fact that many of the ideas in the Senator's amendment might well be the kinds of things that we would adopt for certain kinds of sanctions when we end up actually adopting legislation.

But, clearly, this is not something in which there is an easy one-size-fits-all solution. I fear that is what we are doing by trying to rush this matter.

I will be happy to yield the floor at this time. I will have other things to say, but I know the Senator from Kentucky, who chairs the task force, wants to speak to the issue as well.

Mr. MCCONNELL. Madam President, as a follow-on to my good friend from Arizona, let me say first I am a farm State Senator. I have been on the Agriculture Committee for 14 years. I am a supporter of GATT, NAFTA, fast track, and replenishment of the IMF, which we handle in our subcommittee of appropriations for foreign ops. So put me down as a free trader. Also, put me down as a principal sponsor of the amendment last week to lift the agricultural sanctions on India and Pakistan. We did sort of a partial job on that last week, and then, as the Senator from Arizona pointed out, sort of finished the job today.

Also, put me down as a great admirer of the chairman of the Agriculture Committee and his distinguished work over the years in foreign policy, and on trade matters as well.

The majority leader asked me to chair the task force on sanctions. The Democratic leader asked Senator BIDEN to do that. As the Senator from Arizona just pointed out, we have had an opportunity to only have one meeting. It was yesterday.

I say to my good friend from Indiana, by September I might well be supporting this bill. But I am, frankly, among those in the Senate—and I expect this is almost everyone in this body—who has not been exactly consistent on the subject of sanctions over the years. Having supported MFN to China, I have also advocated certain kinds of sanctions against Burma. My guess is that there is hardly anybody in this room who has been entirely consistent on this subject.

What the distinguished Senator from Indiana tried to do here is to enact a broad piece of legislation that may well be justified. But let me say I am just not yet comfortable in taking that step. Maybe by September I will be comforted that this is what we ought to do. But I want to echo the observations of the distinguished Senator from Arizona that I am just not sure we are ready, as a body, to wipe the slate clean.

Reading from Senator LUGAR's bill, unless I am missing something here, it says, ''Notwithstanding any other provision of law, the President may not implement any new unilateral economic sanction under any provision of law with respect to a foreign country, or foreign entity, unless at least 45 days in advance of such implementation the President publishes notice in the Federal Register of his intent to implement such sanctions.''

It is my understanding that just today the President announced sanctions and trade restrictions under the International Emergency Economic Powers Act against certain Russian countries. I am concerned, for example, whether under this bill the President could have taken that step. Maybe he should not have. Maybe that is the point of the bill.

But let me just say, Madam President, that I am queasy about taking such a broad, comprehensive step, even though it is only prospective, before we have even had a chance to work our way through it. I confess that many of us have not spent the amount of time the Senator from Indiana has already spent on it. He is undoubtedly one of the experts in the Senate on this subject.

But, since all of us are called upon to vote, let me appeal to those in the Senate who may not yet have the level of expertise on the sanctions issue that the distinguished chairman of the Agriculture Committee has, and ask the question, Are we ready to enact on this appropriations bill a broad, sweeping sanctions policy at this time?

Let me repeat. The Senator from Indiana may be entirely correct that this is the way to go. But I will suggest to the Senate that we give this a little more time and think it through a little further. I am not sure the work of the task force, on which many of us serve, including the Senator from Indiana and the Senator from Arizona, is going to shed a whole lot of light on this. But we are going to try. We are going to try to shed some light on it by having a hearing on July 30. We are going to try very hard to meet the majority leader's deadline of having at least a report by September 1. That may or may not enlighten a whole lot of Members of the Senate.

But for those of us who have not spent as much time on this as the distinguished Senator from Indiana maybe, that report will be helpful to us. Maybe we will get a chance, as the Senator from Arizona pointed out, to kind of start out with what a sanction is. I am not even sure I know, frankly, at this point exactly what is and what isn't a sanction. Is a restriction in a foreign aid bill a sanction? Do we make a distinction between transfers of military significance? I think most Senators would argue that you should make that kind of distinction on things like agricultural products, food and medicine, and the like.

So I commend the Senator from Indiana for a very important piece of legislation and just suggest that maybe this isn't the best time for most of us to be going forward on this, and I hope we can shed some light through the task force over the next few weeks on this whole subject.

Madam President, I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

I rise to join with my colleagues from Arizona and Kentucky, who have just

spoken, with a certain sense of reluctance about opposing the amendment of the Senator from Indiana because of the respect I have for him, because of the thoughtful way in which he goes about matters generally and particularly matters of foreign policy. But to echo what has just been said, this is a very complicated and controversial subject, an important exercise of one of the major options that the United States has in carrying out its foreign policy.

The bipartisan Senate leadership has created a task force that has been referred to. As has been said, we only had an opportunity to hold our first meeting yesterday. So I think for us to act on this quite comprehensive piece of legislation, which will dramatically alter the landscape in which the United States, Congress, can impose economic sanctions, is a rush to judgment before we have had a chance to hear from all sides, as the task force will do—a public hearing is going to occur—to reason together and then to come up with a proposal.

As the Senator from Kentucky said, the end proposal may contain major parts of the amendment offered by the Senator from Indiana. But I think we would do much better and serve our national interest better if we worked this out over a period of time. There is no emergency now that I can think of, that I know of, that requires us to adopt this wholesale change in what has been a fundamental part of our foreign policy for a long time now, deriving, incidentally, from a constitutional premise of the ability, Congress' ability, to regulate commerce with other nations of the world.

So I think this is premature, though probably thoughtful. But I say ''probably'' because this is a detailed amendment which I, frankly, have not been able to absorb in the time it has been in the Chamber, to make a reasoned judgment, even if there was not a task force that had been appointed on this very subject.

I hear the Senator from Indiana; his intention is for its effect to be prospective, not to affect any sanctions that are in law now, and yet there are sections of this that begin ''notwithstanding any other provision of law'' and impose procedural requirements that make me wonder whether they would affect, for instance, the President's ability to impose sanctions in an emergency situation which, if we adopted this amendment, he might be limited from doing.

So there are questions. And I think we should step back, acknowledge that there is a chorus that has risen rather rapidly in the last period of months questioning the extent to which we have applied sanctions, the manner in which we have done it, and listen to that chorus but not rush to act in response to it before we have had a chance, each of us, to deliberate and do what is right.

Now, I want to offer one other set of thoughts here, Mr. President. Why is this so important? Well, let's all begin with the fact that most of us acknowledge, as the Senator from Kentucky said, we have not, most of us, been consistent in our votes on these matters. It is hard to be consistent in our votes on matters of sanctions, that they have been used too much. I think most of us in this Chamber would say that. That is why the leadership created the bipartisan task force, to begin to set some guidelines. But in all the criticism that we are heaping on ourselves, I think it is important not to lose sight of the value of sanctions. They are, roughly speaking, one of three options that a government has to protect its strategic interests and uphold its ideals—diplomatic, economic, and military.

If I may say so—and I know people sometimes say that we are foolish to do this, that it is self-defeating—we have to consider the impact some of the sanctions have had not just on farm States. I can tell you, some of the sanctions regimes have had an effect on manufacturing, high tech and industrial, from my State. And I am not reaching judgment on the net effect.

Let's just say a word for the fact that there is a part of our national character that, as Americans, is prepared to say we care so much about what is happening in another country, about the way that country is suppressing its people, or the threat that that country represents to our security because they are threatening their neighbors, who are our allies, or they are building missiles, that we are prepared, if our allies will not go along with us, to impose economic sanctions on them to affect their behavior. In an age when a lot of people question, well, all we care about is materialism, I am speaking respectfully of the impact of sanctions on people. This is in its way an expression of American idealism and principle and values. And while we may have overused it, we should not diminish its utility and its substance.

Finally, Mr. President, there is a very important question to ask: Have they worked? I think the record is mixed, but that is something I would like to have our task force study and, at least as one Member, learn more about. I don't know enough about it.

I know most people cite South Africa as a case where sanctions worked. Those were multilateral. More recently, sanctions we imposed on Colombia did work to alter the fundamental policy of the Government on an issue that matters to us. We have sanctions against Iraq and Libya. Well, I note that the heads of those regimes worked mightily in international diplomatic circles to get the sanctions off, so they must be having an effect on them. The same is true about the opposition of the Chinese to sanctions that we consider, and the Russians with regard to supplying components of missile parts to Iran.

I know that Senator LUGAR is not speaking against sanctions generally, and I appreciate that, and I share that view with him. We share that view because we understand, I hope all of us, that sanctions have value and have had effect. We are using them too much, but I think it requires more thought than we have had the opportunity to give before we vote on this amendment to change the ground rules so dramatically. So I intend to vote against the amendment.

I yield the floor.

Mr. BIDEN. Mr. President, I will vote against tabling the Lugar amendment. It is a useful starting point in bringing some rationalization to our sanctions policy.

I have been in the Senate for over 25 years. Over that time, I have supported many sanctions laws, and even authored a few. But I am now re-examining my approach to sanctions policy. I do so not because I oppose sanctions—sanctions are an important part of our foreign policy arsenal.

But I believe we need to rethink our overall approach. Statutory sanctions, once imposed, are difficult to repeal, and they therefore do not provide the President the flexibility that I believe he needs to conduct foreign policy. As we all know, it is easier to block legislation than to pass it; accordingly, lifting a sanction to meet changed circumstances is difficult, and sometimes impossible. I believe, therefore, that we have to start building into our sanctions policy the necessary flexibility for the President to waive, modify, or terminate sanctions with the ability of the Congress to respond to his actions.

The Lugar bill is not perfect. It has a few provisions that I believe should be changed or modified. For example, I do not believe it is wise to provide, as the amendment does in Section 806(c), for a point of order against legislation in cases where the Senate has not received required reports from the Executive Branch. This provision would conceivably permit the President to prevent consideration of a bill simply by withholding the required report. In addition, I believe the bill should clearly exclude from the definition of ''sanction'' those measures taken to enforce criminal laws and those measures taken pursuant to the authority of the Federal Aviation Administration to ban foreign airlines from flying to the United States which do not satisfy our safety standards. Finally, I believe the contract sanctity provision is too broad, for two reasons. First, there may be cases where a multi-year option contract would render the sanction—at least as to that contract—a nullity. Second, there may be cases—a proliferation sanction comes to mind—where it may be in our national security interest to stop the flow of technology immediately.

Despite these concerns about the Lugar amendment, I will vote against the tabling motion. The bill is a good framework upon which we can begin to construct a more rational sanctions policy, and I believe the Senate should continue to consider it further on this

bill. I did not offer amendments to perfect the amendment because it was obvious that it was not going to be adopted and if it was it could be perfected in conference. We will surely revisit this issue at which time I'll have more to say.

Mr. KERRY. Mr. President, I would like to take this opportunity to share my views on the amendment of the Senator from Indiana which was voted upon earlier this evening. I agree with those of my colleagues who have argued that we have too many unilateral sanctions in place, many of them mandated by Congress, and that often these sanctions fail to achieve the stated foreign policy objectives while hurting American business and competitiveness. I support the overall objective of the amendment offered by the Senator from Indiana—to provide a rational framework for the imposition of sanctions by both the Congress and the President. However, some aspects of this legislation concern me, in particular the broad definition of the term ''unilateral economic sanction'' and the extensive process which is to be exhausted before sanctions are imposed.

I have always believed that sanctions are most effective when they are multilateral not unilateral, but I also recognize that there may be circumstances in which we need the option of imposing sanctions unilaterally, for example to send a message of disapproval of a given regime as we did with respect to the military junta in Burma, or to respond to a horrific event such as the use of force against those protesting for democracy in Tiananmen Square in 1989. I recognize that the legislation of the Senator from Indiana does not prevent us from imposing sanctions in these cases but I fear that the process in the bill would make it more difficult to do so expeditiously. In light of these concerns and the fact that the Senate Task Force on Sanctions, of which I am a member, is trying to address the question of unilateral sanctions and is going to begin hearings later this month, I voted to table the amendment of the Senator from Indiana at this time. However, I believe there is much of worth in this legislation, and I would like to work with him and others who believe, as I do, that we must reign in the tendency to address every foreign policy problem with a sanction.

Mr. BUMPERS addressed the Chair.

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

Mr. BUMPERS. Mr. President, let me just say, at the rate we are going, we should be able to finish this bill by Saturday night a week around midnight. We have 64 amendments left. We have spent about 2½ hours on this one. A lot of the people on this side are going to the White House at 4:30, and I hoped we could get a vote on it before they had to depart. I am always reluctant to suggest to anybody they cut their remarks short, and I guess we have already missed the 4:30 deadline. I see two Senators who are just chomping to speak, so there is no point in asking for a time agreement at this point. But I just want to make the Members aware, and I know I am joined by my distinguished chairman in saying, we are going to have to do something to speed this process up or we are not going to get out before December 1.

I thank the Chair.

Mr. MURKOWSKI addressed the Chair.

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

Mr. MURKOWSKI. I think the Senator from Arizona wants to propose a unanimous consent.

Mr. KYL. Yes. I thank the Chair. I thank my colleague from Alaska.

PRIVILEGE OF THE FLOOR

I ask unanimous consent that John Rood be admitted to the floor during the pendency of this amendment and other amendments on which he may desire to be present under my supervision.

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

The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I will try to be brief. I recognize the timeframe.

I think it is fair to recognize another thing though: That two-thirds of the world's population, or thereabouts, are under some type of sanctions or threatened sanction by the United States. I think the question we have to ask ourselves is, As we address the justification of sanctions, are we really helping the people we want to help?

I commend the Senator from Indiana, Mr. LUGAR, for bringing this matter up, because we can continue to debate it, we can continue to evaluate it, but the reality is, it is time to address the effectiveness of these sanctions. And, as a consequence, I rise to support the amendment of the Senator from Indiana on sanctions.

I think he is offering the amendment for one reason, which is because sanctions are now a popular choice to promote our agenda and, of course, legitimately protect our national interests. There is nothing wrong with this reasoning except many times sanctions simply do not work in the manner that we have intended. They are one tool that we can use against rogue nations—granted. The question is, How effective are sanctions? In what cases should they be used? Unfortunately, as I have indicated, the tool of choice is sanctions. Some suggest it is a hammer for brain surgery.

In any event, it is time to take stock in whether this amendment by the Senator from Indiana passes now or later. I think it is fair to say we should take up this matter and resolve it and examine, if you will, the posture of our policies.

Let me conclude with one reference that is in the amendment of the Senator from Indiana; that is, he sets guidelines before imposing sanctions. That is important, in his amendment. The amendment will require a check and balance. It will require information on the goals of the sanctions, the economic costs to the United States, the effect on achieving other foreign policy goals, and whether other policy options have been explored. It is kind of a cost-benefit risk analysis. I wish we could apply it to some of our environmental measures. That is what we are proposing here, and that is why I support the amendment of the Senator from Indiana.

This amendment will require careful thought before imposing sanctions. It does not prohibit sanctions. Dozens of sanctions are now pending before Congress. Sanctions, because they are the easy way out, have become a knee jerk reaction.

Between 1914 and 1990 we imposed unilateral sanctions 116 times. Between 1993 and 1996 alone we imposed unilateral sanctions 61 times on 35 nations. In 1995 alone, it is estimated that sanctions cost the United States $20 billion in exports.

The President has declared a national emergency 16 times during his term. In the case of Burma, the President invoked unilateral powers reserved to ''deal with an unusual and extraordinary threat.''

Is Burma an ''unusual and extraordinary threat'' to the national security of the United States? I will go out on a limb and say perhaps no.

But that is the problem. The choice to use unilateral sanctions is easy. It is a choice made for the short term to appease special interest groups. No thought is given to the chances of success or possible alternatives.

Will unilateral sanctions work in Burma—probably not! Will they hurt the people we are trying to help—definitely so!

We must look to the long term.

I think a perfect example of this is Vietnam. Restoration of diplomatic relations and the lifting of the trade embargo on U.S. exports led to progress on the MIA issue and greater economic freedoms in Vietnam.

The old saying that a rising tide lifts all boats is true.

When we decide on appropriate action to take against rogue countries, we must make decisions based on what are the most persuasive actions rather than the easy way out.

I do not condone the policies of Iran, or Libya, or North Korea. All these countries clearly pursue policies contrary to our national interests.

But I believe it has come to the point where U.S. unilateral sanctions run the risk of being completely counterproductive because they get in the way of more effective multilateral steps that could be pursued.

Unilateral sanctions should be a tool of last resort and only used after careful thought about the consequences, the costs, and the chances of success. I urge my colleagues to support Senator

LUGAR. Implementing sanctions should not be based on emotion but on a rational process. This is what this amendment does.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I will also keep my statement very short.

Mr. President, I also strongly support Senator LUGAR'S amendment to include the Enhancement of Trade, Security and Human Rights through Sanctions Reform Act to the agriculture appropriations. Consistent with our commitment yesterday to help American farmers, I believe this is the appropriate time to consider this important amendment that will help us think about the consequences of unilateral sanctions before they are imposed, either by the Congress or by the President.

As you have heard, this amendment does not prohibit the Congress or the administration from imposing Unilateral sanctions, but it forces us to think before we act. It is easy to look like we are combatting various problems such as human rights abuses, religious persecution, nuclear proliferation, child labor, etcetera, by imposing unilateral sanctions. But it is not so easy to determine the negative effect they will have. It is my opinion that unilateral sanctions do not work. They do not force countries to adopt our policies, or our standards. Therefore, they wind up doing nothing but hurting our American farmers and workers who lose export opportunities to the affected nations.

Senator LUGAR'S amendment, which I have also cosponsored in its bill form, establishes procedures by which we can analyze the impact of the sanctions—first, whether they——

Mr. STEVENS. Will the Senator yield for just a moment?

Mr. GRAMS. Yes, sir.

Mr. STEVENS. Mr. President, I would like to notify the Senate that at 6 o'clock I shall seek the floor to move to table the Lugar amendment. I think it is a vote that must be taken to see where the votes are on this amendment. If it is not tabled, then it will still be open to amendment, but hopefully we might be able to work something out to see in what shape we would agree to take the Lugar amendment to conference and have a vote on whatever the Senator wants. But I do expect to make a motion to table the Lugar amendment at 6 o'clock. I ask cloakrooms notify their respective sides of that.

I thank the Senator.

Mr. GRAMS. Just to briefly finish my statement today, I believe the Lugar amendment will help to establish procedures by which we can analyze the impact of these sanctions. That is first by whether they will accomplish the intended purpose, and second, the impact they have on U.S. international competitiveness and other foreign policy goals.

This amendment is also flexible. The President can waive the provisions of this amendment in an emergency, and the amendment does not affect existing sanctions. It also does not apply to multilateral sanctions.

I urge my colleagues to take a look at this, to support this amendment which will help us determine whether a particular unilateral sanction will work or whether we should pursue the problem in another way. If unilateral sanctions are imposed, we need to ensure they will work and they are initiated only as a last resort, and only after multilateral sanctions are pursued.

Again, I thank Senator LUGAR for his leadership on this important issue. For those of us concerned about the growing trend toward unilateral sanctions without analyzing whether they will work or how they will affect our farmers and workers, I think this is a no-brainer. This is an amendment that should have no opposition from this body.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I am sure when my colleague just referred to a ''no-brainer,'' that no one would be in opposition to it, he wasn't suggesting there is not a logical, reasonable argument in opposition to the amendment, and I would like to again try to make that and urge my colleague, if he would like, to engage in any kind of colloquy he would like to clarify what I have to say, to at least assure him that there is a reasonable argument on the other side.

I want to begin by commending Senator LUGAR for identifying many of the things which ought to be done with respect to the imposition of sanctions in his amendment. He has a lot of good material in this amendment. I know he has given it a lot of thought. I think, at the end of the day, we will be able to accept a lot of that.

Mr. President, I also believe there are some things that are not adequately thought out here. I would like to focus on a few of those. One of the things I am pleased with is a very broad definition of national emergency, which would permit the President to essentially waive the requirements of the legislation in the event of a national emergency, which is very, very broadly defined here. In one sense, that is good. But in another sense, all of the good that we are trying to achieve here could be easily undone, simply because the President decided to go forward and waive in the interests of national security. If the national security definition were a little tighter, then what we are seeking to accomplish here could probably be done, and the President would not be able to undo it easily through the invocation of a national emergency waiver.

So I want to begin this part of the debate by acknowledging that some of what the Senator from Indiana is seeking to do clearly is going to gain wide acceptance here. In some cases, we are not going to want to let the President easily get out from underneath these requirements, which the definition of national emergency, in my view, would allow him to do.

I also want to begin by making a point that one of my colleagues made, and that is to establish bona fides with respect to this. I have been getting a lot of calls from commercial associations seeking support for this, in the name of free trade. I have always supported fast track and do to this day, and I hope we will take fast track up again this year and pass it. I have supported GATT. I have supported NAFTA. I will proudly call myself a free trader, too. So my comments are not made from the perspective of someone who has not supported trade. In terms of business support, I certainly provided that.

But we also have a national security obligation as Members of the Senate, and what I do not see adequately addressed in this amendment is the careful balancing between support for economic considerations on the one hand, and national security on the other. Those interests have to be very carefully calibrated. I think, with some additional work on the amendment of the Senator, we might be able to help achieve that calibration, but not if we have to vote on that today.

Third, I mentioned the definitions problems, and I would like to get into that in detail now. I would like to read from the amendment of the Senator, the very first definition of what we are talking about when we talk about a unilateral economic sanction. Here is the definition. I am quoting:

> The term ''unilateral economic sanction'' means any prohibition, restriction or condition on economic activity, including economic assistance, with respect to a foreign country or foreign entity. . .

Et cetera, et cetera, et cetera.

That means foreign aid, for example. So before we do a foreign aid bill here, are we going to have to go through the requirements of this legislation? Before we reduce a country's foreign aid, is the President going to have to give the Federal Register notice for 45 days? Is the Congress going to have to wait for 45 days before we can reduce that aid? Is that reduction going to be in force only 2 years and then we would have to revisit it? Something as simple as foreign aid—we raise and lower a country's foreign aid every year for lots of different reasons.

We may apply a little more money to the foreign aid budget and be able to increase aid, or we may reduce it and have to increase aid. It has nothing to do with whether we are trying to sanction somebody or punish somebody or prohibit trade. Yet, that would be implicated because of the breadth of the definition of ''economic sanction'' contained in the legislation.

What about some of the other actions that we may take? I mentioned before export controls on sensitive U.S. technology. I think it is absolutely incredible that restrictions of U.S. trade,

technical assistance, or any other way in which the United States would provide assistance to another country with respect to sensitive matters would be deemed subject to the requirements of this legislation.

This legislation may well be appropriate for the kind of sanctions that we would apply against a country that doesn't agree with us on a particular human rights policy, for example, or something of that sort or perhaps with whom we have a trade dispute. But it certainly should not apply to the limitations that this country imposes upon U.S. businesses wanting to transfer technology to another country. There are good and sufficient reasons we have an entire regime of export controls in place.

To show just exactly how far this legislation goes—and I think this is critical before Senators vote in favor of this amendment—they had better understand the following: We have just had exposed a tremendous technology transfer to the country of China that occurred because a couple of U.S. companies may—may; they are under investigation for it—allegedly have violated U.S. law with respect to technology transfer.

When a missile blew up and destroyed a satellite, information was provided to the country of China. That may have been in violation of U.S. law. It may well have compromised our national security. Yet, the kind of things that we impose upon companies that are going to do business with a country like China to limit the transfer of that highly sensitive technology would be implicated because of the breadth of the definition of this legislation.

Would we be able to limit the kind of technology transfer that has gone on to China that we are trying to stem?

Would we be able to require defense monitors to accompany this equipment?

Would we be able to preclude reports being issued to the Chinese Government on what went wrong with a particular launch?

Would we be able to require an export license for the kind of satellites being exported here or the kind of technology that is being transferred in aid of the launch of U.S. satellites to make sure the rockets themselves don't blow up?

Would we be precluded from putting those kind of technology transfers on a munitions list?

Would we be precluded from requiring reviews by the Justice Department?

This morning I talked with the Attorney General in a hearing of the Senate Judiciary Committee, and I said, ''Even though you had this matter under direct investigation, pending investigation, and Sandy Berger, the National Security Adviser, was advised that it could significantly adversely impact the judicial process of the prosecution of people who would be indicted for having possibly violated the law, for the President to grant a subsequent waiver, notwithstanding that the President granted the waiver,'' and I asked the Attorney General, ''did you object to that in any formal way?''

She said, ''No, there is nothing in the law today that permits or requires that, and there is not even any procedure for that.''

I said, ''Do you think there should be?''

Her answer was, ''We are working right now on recommendations that would get the Justice Department into the loop here.''

What I am saying, Mr. President, is that with regard to the transfer of highly sensitive technology that could jeopardize the national security of the United States, we do impose limitations, and as I read the definition of ''unilateral economic sanction,'' many of the kind of activities in which we engage here would be implicated by this definition.

I know, or at least I firmly believe, that the Senator from Indiana would not want to jeopardize our national security and that it would not be his intention to have that kind of technology transfer limited, or the limitations on that kind of technology transfer limited by his amendment. Yet, as I read his amendment, that is exactly what occurs, because, again, the definition is:

> Any prohibition, restriction or condition on economic activity.

Clearly, all of the things that we imposed on Loral and on Hughes are restrictions and conditions on their economic activity with China, and for a good reason: to prevent the transfer of technology that we think might harm our national security.

Are we saying today, are we willing to vote for an amendment that essentially says, with respect to that kind of condition, we are going to treat that as a sanction and we are going to put all kind of limitations on whether or not it can be done?

One of the answers is, ''Well, there's a section in here that permits the President to waive any of this if there is a national security interest involved in that case.''

Mr. President, it seems to me that we simply ought to make an initial determination that there are certain kind of things that we do not deem to be economic unilateral sanctions and they ought to be excluded in the legislation in the first instance, because otherwise we are going to have an extraordinarily cumbersome procedure where thousands of things that this Government does, in either the executive or the legislative branch, from foreign aid decisions of the Congress to highly sensitive national security technology transfer limitations, are going to be deemed to be sanctions that have to go through the processes of review and delay and sunset, and so on, of this legislation, or else be exempted by a waiver that the President would then have to specifically invoke with respect to each one of those particular actions.

That doesn't make sense. That is why I say this one-size-fits-all kind of approach is not the right approach. The kind of things the Senator from Indiana should be dealing with are a fairly narrow range of economic activities and limitations on those activities that either the President or the Congress has imposed in the past but that don't have anything to do with foreign aid, that don't have anything to do with national security technical assistance limitations and the like.

That is the third point I want to make.

I should also note that there are other things that could be deemed conditions or restrictions on economic activity, like denials of visas, cuts in taxpayer-funded export credits such as from OPIC or Eximbank. Are those things implicated by this? I think clearly they are. Is that the intent of the Senator from Indiana? And, if so, how are we going to get around those with a national security waiver? There are some things that I don't think we want this to apply to for which the national security waiver isn't going to be available. There, again, the one-size-fits-all approach to this just isn't going to work.

I will conclude this third point by reiterating what I said before. One of the things the Senator from Indiana is trying to do here is to be sure, before we invoke sanctions, we think it through, we analyze the impact, and we have a set of standards by which to measure whether it is effective or not and we have a mechanism for ending the sanction that forces us to, in effect, focus on whether or not it has been effective and we want to continue it or not.

All of those are valid propositions. My guess is, before we are done with this, that kind of approach will be adopted by the Senate. I am not arguing against those things, but what I am doing is reiterating the argument of the Senator from Connecticut, the Senator from Kentucky, and expanding on a point that I made earlier, and that is that just as we are getting into this issue with the first meeting of the sanctions task force—a bipartisan task force—yesterday to identify exactly what we want to cover by the kind of reforms and others that the Senator from Indiana is proposing, just as we are beginning this process, we have placed on the desk an amendment that is going to do it all and do it with a definition that is so broad that it would cover virtually any condition or limitation on economic activity. That is not, I think, what the sanctions task force views as the proper approach.

I urge my colleagues to slow this process down just a little bit. We don't have to have this amendment on this appropriations bill today. I am sure that if the Senator from Indiana will work with us, if there is deemed to be a necessity to put something in place fairly soon, and certainly before the end of this legislative year, we can come up with a good set of criteria,

such as those the Senator has in his bill, for imposing sanctions—a good review process, some mechanisms for revisiting the sanctions after a point in time to ensure we still want them in place. All of those things that Senator LUGAR's amendment goes to I think we can include in a piece of legislation. But I also think we are going to want to take a look at these definitions carefully and modify them to some extent so in one case it does not go too far and embrace just too many things, and in another case it perhaps does not go far enough.

Finally, I will close with this point, Mr. President. Sanctions—and because of the breadth of the definition of sanctions here, I think we are literally talking about any kind of action the United States might take—can be in response to all kinds of different things.

We have the Jackson-Vanik sanctions that were imposed upon the Soviet Union when it would not allow the immigration of Jews from the Soviet Union. We have sanctions that were imposed on South Africa to try to change that country's behavior. We have sanctions that were imposed upon the Soviet Union after it invaded Afghanistan. We have sanctions in aid of various treaties or agreements that are hard to enforce unless you can impose some kind of sanction. The NPT, Non-Proliferation Treaty, and other kinds of treaties that we have signed, some bilateral, some multilateral, have to provide some kind of enforcement.

As Senator LIEBERMAN pointed out, you do not want to have to turn to the military option right off. So all you have are economic or diplomatic activities. Now, diplomatic activities sometimes work; sometimes they do not. They more frequently work if you have some other kind of hammer behind it, like a military or economic card to play. What it boils down to is that an economic limitation can sometimes be very important. But I do not think we ought to blame sanctions necessarily when things do not go right.

The best example of a failed policy is one which we have all dealt with here very recently, and that is the automatic sanctions that were imposed upon India and Pakistan—for doing what?—for nuclear testing.

Mr. President, I submit that the problem here is not sanctions per se. The problem is that the policy that was put in place was a failed policy to begin with, and to attach sanctions as the only way to respond to that was simply wrong. Congress was in error for doing that. We are now rushing to correct that error. But we are doing it in the wrong way.

Let us understand that the problem with the sanctions on India and Pakistan go back to the fact that as a nation we should have recognized that, just like China, Russia, and France, these nations are going to do what they think is in their best national interest, which may include testing nuclear weapons, and that they are going to do that irrespective of world opinion or economic sanctions. Their own internal country opinion was more important to them.

In both cases, they were willing to suffer the consequences economically that might result from sanctions being imposed. In fact, I think in both countries there was a certain sense of pride that they did this and that they could stand up to the rest of the world. So for us to have had to impose economic sanctions was folly. It was never going to work. These countries were going to do what they felt was in their best interest, and we were not going to be able to stop them with economic sanctions.

All we did was hurt a couple of countries that have been friendly to the United States—in the case of Pakistan, a country that is really hurting economically. And the last thing I think we really wanted to do is hurt the people of Pakistan with these sanctions; nor did we want to hurt our own country's agricultural interests. The problem was not sanctions per se. The problem was in ever thinking that we could, by the use of something like sanctions, prevent them from doing what inevitably they were going to do.

Let us not blame sanctions; let us blame a failed policy embraced by the U.S. Congress. Sanctions sometimes do work; and, as Senator MCCONNELL said, sometimes they do not work. Our record has been inconsistent in this regard. I know that is one of the things that Senator LUGAR is trying to address here. But that should animate our thinking here—not that sanctions are per se wrong and, therefore, they have to be used only in very, very limited situations, and so on, as some of the language in this amendment suggests. I agree with that as a general proposition.

We ought to be careful how we use sanctions because in some cases they are never going to be effective because the underlying policy is not a valid policy. But by the same token, in the interest of satisfying our commercial constituents, I do not think we should rush to judgment here and literally throw out the baby with the bathwater by making it very difficult to impose or retain sanctions in the future when, in point of fact, there are certain areas, like national security, for example, where we very definitely want to have conditions or limitations on economic activity—the definition in the bill—that have nothing to do with the ordinary understanding of sanctions.

For that reason, I urge my colleague from Indiana to withhold for a few days or a few hours or some point in time where we can sit down and try to rework the definitions and rework some of the other language so that we are not applying a one-size-fits-all solution to what is, as Senator LIEBERMAN pointed out, a very complex situation.

We were going to address this through the task force and take quite a bit of time to do it. If there is any reason to rush to judgment here, let us at least take enough time to narrow what we are doing and try to make it apply in a fairly restricted way to achieve whatever short-range objective we have here until we have time to think it through more thoroughly to impose a policy that would cover all of the different kinds of limitations that, as a country, we may wish to impose.

Mr. President, I urge that this amendment not be supported, that if a motion is made by Senator STEVENS, that we support that motion, and that we not consider the amendment at this time. I certainly, as a member of the sanctions task force, will work with Senator LUGAR to try to take many of the good ideas he has in this legislation and pull them into a bill I think all of us can support at the appropriate time.

Thank you.

Mr. BRYAN addressed the Chair.

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

Mr. BRYAN. Mr. President, may I inquire as to the parliamentary situation on the floor? The intention of the Senator from Nevada is to offer an amendment, of which I have alerted the manager. If there is a pending amendment, if I could be so advised, I will make the necessary request.

The PRESIDING OFFICER. There is a pending amendment to be laid aside.

Mr. BRYAN. I thank the Chair for his courtesy.

Mr. President, I see the chairman of the committee is rising. I would certainly yield to him.

Mr. LUGAR. I ask the Senator a question. If it is just a parliamentary procedure, I have no objection if it is a noncontroversial amendment, because I would like to help the bill proceed. But I want us to move toward the conclusion of the debate on my amendment.

Mr. BRYAN. Responding to the inquiry of my friend, the senior Senator from Indiana, I wish I could represent to the Senator that this was noncontroversial. In this Senator's judgment, it ought to be. But fairness requires me to say, this is an amendment which has been before the Senate on many occasions dealing with the Market Access Program. It is controversial. I was under the impression that we could lay the pending amendment aside and consider it, but if the chairman has a concern about that, it is not my purpose to interrupt the orderly flow of the processing of this appropriations bill.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. 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. COCHRAN. Mr. President, Senator LUGAR desires to make further remarks in support of his amendment, and we hope the Chair will recognize him for that purpose. Any other Senators who want to speak on that amendment should do so now, because there is the plan that has previously been announced that Senator STEVENS will move to table the Lugar amendment at 6 o'clock. We will have a vote on that motion to table. But if Senators have completed their remarks on the Lugar amendment, then we could set that amendment aside, if the 6 o'clock hour has not yet arrived, and have other amendments debated. That would be our hope.

The PRESIDING OFFICER (Mr. THOMAS). The Chair recognizes the Senator from Indiana.

Mr. LUGAR. Mr. President, during this debate on the pending amendment, three arguments have been made. I want to respond to them briefly. One came about through Senators suggesting that the President of the United States, who just today proposed sanctions on certain firms in Russia and pertaining to Iranian missile transfers, would not have had the ability to impose those sanctions if the amendment that we are debating had been the law of the land.

Later, the distinguished Senator from Arizona, after a careful reading of the legislation, noted that on page 30 of the amendment—this is the language: ''The President may waive any of the requirements of subsections (a), (b), (c), (d), (e)''—and so forth—in the event that the President determines there exists a national emergency that requires the exercise of the waiver.

I made that point in an earlier presentation, but I simply wanted to reiterate there are emergency situations regarding the national security of this country. The President must have the ability to act. Our legislation expressly gives him that waiver ability.

Then the distinguished Senator from Arizona raised the question as to whether, in fact, that waiver might be too broad. Perhaps. But, you cannot have it both ways. If on one hand you argue that the President of the United States is constricted in terms of what he may do, but then you find out he has full ability to do it, I suppose you could then argue that you do not want to have full ability at that point.

Let me just offer a moment of reassurance. On the same page 30 of the amendment, there is a section setting up a Sanctions Review Committee in the executive branch. It reads:

> There is established within the executive branch of Government an inter-agency committee, which shall be known as the Sanctions Review Committee, which shall have the responsibility of coordinating United States policy regarding unilateral economic sanctions and of providing appropriate recommendations to the President prior to any decision regarding the implementation of a unilateral economic sanction.

Now, that committee is composed of the Secretaries of State, Treasury, Defense, Agriculture, Commerce, Energy, the U.S. Trade Representative, and so forth.

The point being that the President of the United States should be well advised before he decides on a unilateral waiver for even national emergency purposes.

I suspect that this could be perfected further, but during the course of the debate on this legislation I simply note that many Members—and this is understandable—say this is very complex matter and we need more time to walk around it, try to think through the national security implications, the ability of the players to deal with this successfully.

I point out, respectfully, that my original legislation on which this is based was introduced last October. This has been widely discussed in this city for many months. It is supported by 37 Senators explicitly who have thought through all the implications of this and have studied it at some length.

Finally, Mr. President, I respond to the argument that the India and Pakistan incidents are the reason we are discussing this. As I recall, the distinguished Senator from Arizona pointed out we have resolved some of those problems and, therefore, it may be premature to move on to other problems. But, in fact, India and Pakistan had not gone through their nuclear testing regimes last October.

The problem that has to come back to this body is that of the American farmers—the gist of the overall agriculture appropriation bill—need some hope that this body understands the effect of economic sanctions on agriculture. The USA*Engage group, composed of some 675 businesses, including the American Farm Bureau, have strongly encouraged this body to understand the problems faced by American business.

I think the distinguished Senator from Nebraska, Senator HAGEL, stated it well: American business is not a special interest. It is not a nefarious group of people with whom we should have no contact as we talk about national security or economic security. American business and American farmers provide the money that gives us the ability to provide security to this Nation. These are the people who actually are out there working and providing jobs. They are saying to us: You folks with all of your sanctions are creating unemployment for 200,000 Americans. That number of people are losing their jobs because of what is occurring in the sanctions regime.

Of course, we have to be considerate of each and every aspect of making certain that national security is not compromised. It would be a stretch to think of many of these sanctions that have had a substantial national security implication to begin with.

I suspect, finally, there has to be a balancing of interests in our country. Even as we are deeply concerned about democratic procedures in other countries, about religious procedures in other countries, about economic procedures in other countries, we ought to weigh and we ought to have a procedure in which we say we are going to impose a sanction on some country and take the time to state why, and then take time to say, ''What would be considered a success? How would we know we have victory? What are the benchmarks of our success?'' At least once a year, we should think about what the sanction did. Did it make any difference? Did it make a difference in American jobs and income that was totally disproportionate to whatever the impact might have been, in the target country?

Now, that is what my amendment calls for—however you weave the argument around it, the need to state the purpose of what we are doing, the benchmarks of success, to examine periodically whether we have hit the mark even remotely, and, in any event, to estimate the cost of sanctions to Americans. It really is time to think about Americans, people in this country, farmers, producers, even as we are spinning wheels of economic sanctions for whatever economic purpose we might think of.

From the beginning—and I think everyone has heard this clearly—we are talking about sanctions in the future, prospective sanctions. I hope Senators understand that. But that is the case.

Secondly, we are talking about unilateral sanctions which we do ourselves that hurt us, that have no cooperation from others, with every other country grabbing our markets, entering in to eat our lunch. We have prescribed any number of ways in which people in this Congress and the administration have to think about it, and at the same time giving the President, as our Commander in Chief, the ability in terms of our security, to act if he must.

Finally, we have said after 2 years the sanction comes to an end unless the Congress reauthorizes it. That is, take some more time to think about what has occurred, what the implications and the costs for Americans have been.

I am hopeful this amendment will not be tabled. I regret that the distinguished chairman of the Appropriations Committee feels he must do that at 6 o'clock, but I understand the expeditious procedure of this bill, and it is an important bill, has to go on. I hope Senators will vote against tabling the amendment when that time comes, about an hour from now, because I think that a vote against tabling sends a signal of hope to American farmers that we care, and we had better send that signal.

I hope Senators understand that we have a difficult situation in American agriculture, not because of the farm bill but because demand from Asia is down and demand from other countries will be coming down as their income is constricted. We will need all of our

weapons of trade in order to meet that, and the same eventually will occur to other industries.

I stress agriculture today, Mr. President, because that is the first wave. That is where the first implications of economic downturn have come, with raw materials and food. But it will spread unless we are successful in adopting a new trade strategy that must surely include greater thoughtfulness about sanctions.

Therefore, I call for a new regime of thoughtfulness—not a prohibition of sanctions, not a breach of international or national security, but a thoughtful approach, giving full latitude to the Commander in Chief and, hopefully, better latitude to us, to think through what we are doing and to do it more correctly and positively.

I conclude by saying, as I recall, the distinguished Senator from Arizona was asking a hypothetical situation whether as to whether the President could act or not, I think I have answered the question that he could have acted on today's sanction. But let's say that the President acts, or the Congress acts; how do we know in advance that this is going to have any particular effect? The answer is that we don't. As a matter of fact, in most cases, the effect has been dismal, inappropriate, and costly to the United States and to our citizens.

So I say that the President of the United States has the full ability to act, but whether he will act appropriately is another question. And that is why even the President is asked to consult with his Cabinet, and why we are asked to consult with each other—in the hope that if we do adopt a sanction, it will do some good, that it will have some wisdom behind it, some rationale and some procedure that the American people can follow. I submit, Mr. President, that many of the sanctions we have adopted have not had that wisdom, that procedure, and they have not had a very good effect.

It is for this reason that I ask the support of Senators for this amendment and the support, particularly, on the vote to table. I am hopeful that that tabling motion will not be adopted when that moment comes.

Mr. President, I thank all Senators for allowing us to have this full debate. I appreciate that there are many other issues that should come before the body.

I yield the floor.

Mr. HELMS. Mr. President, the premise of the amendment proposed by the distinguished Senator from Indiana is that—as President Clinton recently put it—the United States has gone ''sanctions happy.'' We've all heard the statistics, repeated without question by the media, that the United States has enacted sanctions 61 times in just 4 years, thereby placing 42% of the world's population under the oppressive yoke of U.S. sanctions.

Well, it just ain't so.

I've examined these so-called statistics. And I've found that they are fabricated. The ''61-sanctions'' figure, which came from a study by the National Association of Manufacturers, and circulate widely by an anti-sanctions business coalition calling itself ''USA Engage.''

The NAM claims that, over a 4 year period (1993 through 1996) ''61 U.S. laws and executive actions were enacted authorizing unilateral economic sanctions for foreign policy purposes.'' According to NAM, these sanctions have targeted 35 countries, over 2.3 billion people (42% of the world's population) and $790 billion—19% of the world's total—in export markets.

NAM lists a catalogue of 20 new laws passed by Congress and 41 Executive Branch actions for a total of 61 new sanctions in just 4 years.

The ''61 sanctions'' figure cries out for examination. I asked the Congressional Research Service to analyze the NAM claim. After examining the NAM study, CRS reported to me, ''We could not defensibly subdivide or catagorize the entries in the (NAM) catalogue so that they add up to 61.''

How did NAM come up with this 61-sanctions claim? Here's how:

The National Association of Manufacturers includes as examples of ''unilateral economic sanctions'' every time the U.S. complied with U.N. Security Council sanctions—which are, by definition, multilateral sanctions;

The NAM used double-, triple- and quadruple-counts certain sanctions;

They included as a so-called ''sanction'' any executive branch or Congressional actions denying, limiting or even conditioning U.S. foreign aid. (Since when, I ask, did foreign aid become an entitlement?)

The NAM lists as sanctions instances where no sanctions were actually imposed, cases sanctions were actually lifted, and cases where sanctions were imposed briefly and then lifted.

The NAM piled into their ''sanctions'' list any decision to bar the sale of lethal military equipment to terrorist states, and various actions which affect just a single corporate entity or individuals—not countries.

Mr. President, this is not what most of us have in mind when we think of ''sanctions.'' We think of trade bans and embargoes on states—not seizing the assets of Colombian drug traffickers, blocking imports from a single factory in southern China which is using prison labor, or banning the sale of lethal equipment to states which arm and train terrorists.

The fact is, there is no credible way to argue that the U.S. has imposed 61 sanctions in just four years, or that anywhere near 42% of the world's population has been targeted by U.S. sanctions. In other words, there is no basis for the claim that we in Congress have gone ''sanctions happy'' or for the problem that the amendment offered by the Senator from Indiana proposes to fix.

But don't take my word for it. The staff of the Committee on Foreign Relations has prepared a document which analyzes the NAM study and exposes its failings. I now ask uninanimous consent that this analysis be printed in the RECORD.

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

The NAM study charges that Congress enacted 20 new sanctions laws between 1993 and 1996. This is a deliberate falsehood.

In reality, *three-quarters of this total (15) were denials, restrictions or conditions on U.S. foreign aid,* included as part of normal Foreign Operations and Defense Appropriations legislation.

What were these so-called sanctions? One so-called sanction is a prohibition on aid to foreign governments that export lethal military equipment to countries supporting international terrorism. Another barred U.S. assistance for military or police training in Haiti to those involved in drug trafficking and human rights violations. Another placed conditions on assistance for the Palestinian Liberation Organization. Another prohibited Defense Department aid to any country designated as supporting international terrorism.

Another withheld foreign aid and directed U.S. to vote ''no'' on loans in international financial institutions for countries knowingly granting sanctuary to persons indicted by the international war crimes tribunals for the former Yugoslavia and Rwanda, for the purpose of evading prosecution.

Are these the kinds of ''objectionable'' and ''irresponsible'' actions Congress needs to reign in? I think not. Indeed, of the 20 congressional actions listed by NAM, in reality only 5 can really be called ''sanctions laws.'' These are: The Nuclear Proliferation Prevention Act (April 30, 1994); the LIBERTAD (Helms–Burton) Law (March 12, 1996); the Anti-Terrorism & Effective Death Penalty Act (April 24, 1996); the Iran-Libya Sanctions Act (August 5, 1996); and the Burma Sanctions (September 30, 1996—part of FY97 Foreign Operations Appropriations Act).

The fact is, Congress has passed a handful of carefully crafted, highly-targeted sanctions in recent years—most of which passed the Senate by comfortable margins.

EXECUTIVE ACTIONS (41)

And what about NAM's claim of 41 ''Executive Actions'' implementing sanctions in just four years? This list is also deceiving. Consider the following breakdown of the NAM list:

MULTIPLE COUNTING OF THE SAME SANCTIONS: 7

The NAM study double-, triple- and quadruple-counts the same sanctions over and over again on seven different occasions.

Cuba—Same Sanctions Counted 2 Times. (NAM counts the LIBERTAD (Helms–Burton) law as two separate sanctions, once on the date it was enacted by Congress (in Table I) and a second time when the President took measures to implement Title III of the act.)

Sudan—Same Sanctions Counted 5 Times. (NAM counts the imposition of sanctions on Sudan, and then each adjustment to existing sanctions policy as a separate new sanctions episode.)

MULTILATERAL SANCTIONS IMPOSED IN COMPLIANCE WITH U.N. SECURITY COUNCIL RESOLUTIONS: 5

The study counts U.S. compliance with multi-lateral U.N. Security Council sanctions as ''unilateral economic sanctions'' five times:

Federal Republic of Yugoslavia, Jan. 21, 1993 (NAM: ''These restrictions were designed to help implement U.N. Security Council Resolutions 757, 787, 820, and 942.'')

UNITA & Angola, September 26, 1993 (NAM: ''Designed to help implement U.N. Security Council Resolution 864.'')

Libya, December 3, 1993 (NAM: ''President announces tightened economic sanctions against Libya in accordance with U.N. Security Council Resolution 883.'')

Haiti and Angola, April 4, 1994 (NAM: ''The regulations are amended to add Haiti, as a result of the U.N. arms embargo against it, and to reflect the qualified embargo of Angola, also in line with U.N. multilateral sanctions.'' (Sudan?)

Rwanda, May 26, 1994 (NAM: ''Prohibition on sales of arms and related material to Rwanda. Designed to help implement U.N. Security Council Resolution 918)

LIMITED BANS ON TRADE IN LETHAL MILITARY ITEMS: 8

The NAM study lists every single executive order or decision blocking the sale of lethal military items to a rogue states as a broad-based ''sanction'':

Zaire, April 29, 1993 (NAM: ''Ban on the sale of defense items and services to Zaire.'')

Nigeria, June 24, 1993 (NAM: ''Steps taken in reaction to the military blocking a return to civilian government. . . . U.S. announces there will be a presumption of denial on all proposed sales of defense goods and services to Nigeria.''

China, May 26, 1994 (President announces support for MFN for China, but imposes ban on import of certain Chinese munitions and ammunition)

Nigeria, November 1994 (NAM: ''U.S. bans the sale of military goods to Nigeria. In reaction to hanging of nine environmental activists, U.S. adds to sanctions already imposed . . . Besides ban on the military sales, the U.S. also extended a ban on visas for top Nigerian leaders.'')

Nigeria, December 21, 1995 (NAM: ''Suspension of all licences to export commercial defense articles or services to Nigeria.'')

Sudan, March 25, 1996 (NAM: ''Departments of State and Commerce announce new anti-terrorism export controls on Sudan. . . . They are nearly identical to the controls maintained on Iran for anti-terrorism purposes.''

Iran, Syria, Sudan, March 25, 1996 (NAM: ''Departments of State and Commerce impose new export controls on explosive device detectors to Iran, Syria and Sudan.'')

Afghanistan, June 27, 1996 (NAM: ''U.S. announces policy to ban exports or imports of defense articles and services destined for or originating in Afghanistan.'')

CASES WHERE NO SANCTIONS IMPOSED, IMPOSED BRIEFLY THEN LIFTED, OR THREATENED BUT NO ACTION TAKEN: 4

Cuba, Libya, Iran, Iraq, North Korea, Sudan, Syria, December 29, 1993 (NAM: ''This is a restructuring of existing export controls, and did not result in the imposition of new controls, except on Sudan.''

[Note: See multiple-counting of existing Sudan sanctions])

Executive Order, November 14, 1994 (NAM lists as a sanction an Executive Order which, in NAM's own words, ''establishes some policies and bureaucratic responsibilities within the U.S. Government for dealing with the proliferation of weapons of mass destruction. It did not impose any specific new sanctions on any countries.'')

China, February 28, 1996 (NAM: ''Secretary of State asks Ex-Im Bank to postpone any financing for U.S. companies planning to export to China because of reports that China had shipped ring magnets to Pakistan and was otherwise supporting Pakistan's nuclear weapons program. Secretary makes a second request on April 24, 1996. Sanction lifted on May 10, 1996)

Taiwan, August 9, 1994 (Import restrictions imposed based on Taiwan's trade in tiger and rhinoceros products, lifted several months later)

SANCTIONS AFFECTING ONLY INDIVIDUALS OR SPECIFIC CORPORATE ENTITIES: 7

None of us would consider seizing the assets of drug traffickers, or blocking imports from one company using in prison labor as a ''sanction.'' The NAM study does—seven times:

Haiti, June 4, 1993 (NAM: ''limits on entry into U.S. and freezing of personal assets of specially-designated nationals who act for or on behalf of the Haitian military junta or make material contributions to that regime.'')

China, June 16, 1993 (One entity affected: Qinghai Hide & Garment Factory. Reason: Use of slave labor)

China, August 24, 1993 (Two Chinese entities affected. Reason: Nuclear proliferation to Pakistan.)

Middle East, Jan. 23, 1995 (NAM: ''President blocks assets of persons determined to have committed or present a significant risk of committing actions of violence that would disturb the Middle East Peace process, and he blocks transactions by U.S. persons with these foreign persons.'')

Colombia, October 21, 1995 (NAM: ''Executive Branch blocked property subject to jurisdiction of important foreign narcotics traffickers. Original list of four traffickers expanded to 80 entities and individuals on October 24, and more added in November 1995 [4] and March 1996 [198].'')

China, April 29, 1996 (One Chinese entity affected: Tianjin Malleable Iron Factory. Reason: Use of slave labor.)

North Korea, Iran, June 12, 1996 (NAM: ''Sanctions imposed on three entities in Iran and North Korea that have engaged in missile proliferation activities.'')

DENIAL, RESTRICTIONS OR CONDITIONS ON U.S. FOREIGN AID: 6

And, once again, NAM lists every restriction on foreign aid as a sanction, asserting in effect that foreign aid is an entitlement:

Guatemala, May 27, 1993 (NAM: ''Suspension of U.S. aid programs to Guatemala, except for humanitarian assistance, and U.S. opposition in . . . international financial institutions for loans to Guatemala . . . [in] opposition to a military coup.''

Nigeria, April 1, 1994 (NAM: ''President decertifies Nigeria for its inadequate anti-narcotics efforts,'' making it ineligible for most U.S. foreign aid and most programs from Ex-Im Bank or OPIC.)

Gambia, August-October 1994 (NAM: ''Cut off of all U.S. economic and military aid because of a military coup in July against the duly elected head of state . . . pending the return of democratic rule to Gambia.'')

Afghanistan, February 28, 1995 (President decertifies Afghanistan for inadequate counter-narcotics efforts. Ineligible for most U.S. foreign aid, Ex-Im Bank or OPIC support, direct U.S. to vote ''no'' in international financial institutions)

Colombia, March 1, 1996 (NAM: ''President Clinton decertifies Colombia for its inadequate anti-drug efforts,'' making it ineligible for most foreign aid, Ex-Im Bank or OPIC support, and subject to U.S. opposition for loans in international financial institutions.)

DECLINE TO ISSUE A LETTER OF INTEREST: 1

NAM even lists a decision by the Ex-Im Bank not to issues a ''letter of interest'' in one case as a ''sanction.''

China, May 30, 1996 (NAM: ''Ex-Im Bank board of directors declined, because of environmental concerns, to issue letters of interest to three U.S. exporters.'')

Mr. HELMS. Mr. President, as the review of the NAM study makes clear, most of these actions were taken at the President's discretion, either by Executive Order or based a law where President had broad waiver authority.

If the Senate is going to have a debate over sanctions policy, we should do so on the basis of facts, not distortions presented by the anti-sanctions lobby. That is the reason that the Republican and Democratic leaderships have formed a bipartisan sanctions task force to examine the facts, and make recommendations.

Apparently, some in the business community would prefer for the Senate to act before the facts come out. We should not fall for such tactics.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, if there are no other Senators wishing to speak on the Lugar amendment at this time, and I see none on the floor, I think we should proceed to set aside the Lugar amendment and turn to an amendment to be offered by the Senator from Nevada, Senator BRYAN. It is my hope that we can complete debate on the amendment of the Senator from Nevada before the hour of 6 o'clock, and at 6 there would be a motion to table the Lugar amendment and a vote thereon. Then I will move to table the Bryan amendment and we will have a vote on that. That is the plan of action.

With that, and if there is no objection, I ask unanimous consent that the LUGAR amendment be temporarily set aside.

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

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I preface my comments by thanking the Senator from Mississippi. I think the arrangement he suggests is workable, and we will work within those time constraints.

Once again, I will offer an amendment to eliminate funding for one of the most egregious examples of corporate welfare in America—the Market Access Program. This program continues to waste millions of dollars subsidizing advertising and other promotions in foreign countries.

AMENDMENT NO. 3157

(Purpose: To eliminate funding for the market access program for fiscal year 1999)

Mr. BRYAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. BRYAN] for himself, Mr. REID, Mr. GREGG, Mr. FEINGOLD, and Mr. KERRY, proposes an amendment numbered 3157.

Mr. BRYAN. 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 60, strike lines 4 through 11 and insert the following:

SEC. 717. None of the funds made available by this Act may be used to provide assistance under, or to pay the salaries of personnel who carry out, a market promotion or market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

Mr. BRYAN. Mr. President, I want to make some general observations. This is an area that I have had an interest in for a number of years. We have debated it many times on the floor, and I say to my friends from the agricultural heartland of America that I am not unmindful that in some of the agricultural regions of our country, there is real economic crisis out there, particularly in the plains States.

I am not unsympathetic to the concerns of farmers. Indeed, I intend to be supportive of many of the amendments that will be offered to provide assistance to farmers who face real economic crises for a variety of reasons, many of which I suggest have probably been debated on the floor during the course of this appropriations bill.

Having said that, I want to talk about a program that, in my judgment, provides no real help to America's farmers or agricultural producers and, instead, continues to subsidize some of the largest corporations in America in terms of their advertising dollars. I believe this is a wholly inappropriate use of taxpayer dollars. As I will point out during the course of this discussion, the analysis of the Market Access Program by the General Accounting Office, just released, is a definitive analysis of the efficacy of this program.

Notwithstanding those who have advocated on its behalf and those who continue to defend it, the GAO report reveals that in spite of repeated attempts to make this program accountable, no credible evidence could be found to support the claims that the Market Access Program benefits the economy. That is why a broad range of organizations have been joined in opposition. These are groups that cover the political spectrum, from right to left. Among them are: Americans for Tax Reform, Capital Watch, the Cato Institute, Citizens Against Government Waste, Citizens for a Sound Economy, the Competitive Enterprise Institute, Friends of the Earth, the National Taxpayers Union, Taxpayers for Common Sense, and the U.S. Public Interest Research Group. All of these organizations have called for the elimination of this program. Many of these organizations have joined together in a ''stop corporate welfare'' effort that named the Market Access Program among a select group of the most blatant of Federal handouts.

The Green Scissors report, which recommends cutting programs that hurt both taxpayers and the environment, has also cited the Market Access Program as a waste of money.

Mr. President, I ask unanimous consent that this list I have be printed in the RECORD.

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

LIST OF COMPANIES IN BRANDED BUDGETED DOLLAR ORDER FOR 1997

Participant		Budget 1997
E. & J. Gallo	WI	$597,874.00
Tyson Foods	USAPEEC	440,000.00
Mederer Corporation	CMA	297,000.00
M&M/Mars, A Division Of Mars, Inc.	CMA	280,547.00
Sun Maid	CRAB	163,938.00
Brown-Forman Corp.	XDA	161,680.00
NAF International	MIATCO	125,000.00
Precise Pet Products	SUSTA	110,000.00
Ralston Purina International	MIATCO	108,547.00
Quality Products Intl., Inc.	USAPEEC	105,710.00
Canadaigua Wine Company	BEA	89,620.00
The Seagrams Classic Wine Company	WI	81,000.00
Shoei Food (USA) Inc.	WUSATA	70,000.00
Russell Stover Candies	CMA	60,000.00
Mauna Loa Macadamia Nut Corp.	WUSATA	56,000.00
Schwan's Food Asia Pte. Ltd.	MIATCO	52,100.00
Specialty Brands	WUSATA	52,000.00
A. Smith Bowman Distillery, Inc.	SUSTA	50,000.00
Franklin Mushroom Farms, Inc.	EUSAFEC	50,000.00
Lyons Magnus	WUSATA	50,000.00
Twin County Grocers	EUSAFEC	50,000.00
Seald-Sweet Growers	SUSTA	48,000.00
Golden Valley Microwave Foods	MIATCO	46,000.00
Lion Packing Company	CRAB	46,062.00
Fruits International, Inc.	SUSTA	45,500.00
The Iams Company	MIATCO	44,800.00
Great Western Malting Co.	WUSATA	41,000.00
Frontier Foods, International	USMEF	39,500.00
Blue Bell Creameries, L.P.	SUSTA	39,000.00
Bush Brothers & Company	SUSTA	39,000.00
Tootsie Roll Industries, Inc.	CMA	38,000.00
Heublein, Inc.	WI	36,000.00
Austin NIchols & Co., Inc.	KDA	35,786.00
Protein Technologies International	MIATCO	35,500.00
Jones Dairy Farm	USMEF	35,000.00
Macfarms of Hawaii	WUSATA	35,000.00
Certified Angus Beef	USMEF	32,500.00
H.J. Heins Company Ltd.	EUSAFEC	32,500.00
Beechnut (Ralston Foods)	MIATCO	30,900.00
European Vegetable Specialties Farms, Inc.	WUSATA	30,000.00
Fetzer Vineyards	WI	30,000.00
CPC International/Best Foods Exports	EUSAFEC	29,250.00
Rockingham Poulty	USAPEEC	27,500.00
Wm. Bolthouse Farms, Inc.	WUSATA	27,000.00
Gourmet House	MIATCO	26,642.00
Pierce Foods	USAPEEC	25,,000.00
Prime Tanning Co., Inc.	EUSAFEC	25,000.00
The J.M. Smucker Company	MIATCO	24,750.00
Maker's Mark Distillery, Inc.	KDA	22,410.00
Star Fine Foods, Inc.	WUSATA	22,000.00
General Mills, Inc.	MIATCO	21,200.00
Vie De France Corp.	SUSTA	21,000.00
H.E. Butt Grocery Company	SUSTA	19,290.00
Grimmway Enterprises, Inc.	WUSATA	19,000.00
Kroger Co.	MIATCO	17,600.00
Well's Dairy, Inc.	MIATCO	17,500.00
Schreiber Foods, Inc.	MIATCO	15,600.00
Barbara's Bakery, Inc.	WUSATA	15,000.00
Del Rey Packing Company	CRAB	15,000.00
Giumarra Vineyards	WI	15,000.00
Southern Pride Catfish	SUSTA	13,000.00
Robert Mondavi Winery	WI	12,000.00
Sara Lee Bakery	MIATCO	10,500.00
Acclerated Genetics	GENETIC	10,300.00
Chinchiolo Fruit Company	WUSATA	10,000.00
DiMare Company	WUSATA	10,000.00
Domaine Chandon	WI	10,000.00
Hudson Foods, Inc.	USAPEEC	10,000.00
Jacklin Seed Company	WUSATA	10,000.00
Simi Winery	WI	10,000.00
Stimson Lane Vineyards	WI	10,000.00
Vogel Popcorn	MIATCO	10,000.00
Wine Alliance	WI	10,000.00
Continental Mills, Inc.	WUSATA	9,000.00
Island Coffee Company	WUSATA	9,000.00
Supervalu International	WUSATA	9,000.00
Sunday House Foods, Inc.	USAPEEC	7,500.00
Avonmore Ingredients	MIATCO	6,600.00
Red River Commodities, Inc.	MIATCO	6,400.00
Mission Foods	SUSTA	6,000,00
Bil Mar Foods	USAPEEC	5,850.00
EBS, Inc	GENETIC	5,000.00
Maui Pineapple Company, Ltd.	WUSATA	5,000.00
Stahlbush Island Farms	WUSATA	5,000.00
Total		4,427,555.00

Mr. BRYAN. Mr. President, it is just not outside groups that are calling for the elimination of this program. The Market Access Program was specifically targeted for elimination in the fiscal year 1999 Republican budget resolution. This provision was included in the legislation passed on the Senate floor by a vote of 57–41 on April 2 of this year.

Unfortunately, however, like Lazarus, this program seems to rise from the dead every year and is currently authorized to receive some $90 million in fiscal year 1999.

The Foreign Agricultural Service, FAS, is a branch of the U.S. Department of Agriculture, and it distributes this $90 million that has previously been authorized in three different categories. One is a direct contribution to private companies. Two is a contribution that is made to industry associations which, in turn, makes grants to members within that association. And the third category is cooperatives. These moneys are frequently used for the promotion of brand-name products, specifically identified household names in America, as well as generic commodities overseas.

So we have private companies that receive money directly from the funding source—industry associations and cooperatives.

In spite of numerous reforms that we have debated and enacted in recent years in efforts to limit the aid provided to giant corporations, millions of dollars continue to flow to large, well-established producers, agribusinesses to subsidize their advertising budget.

Let me again make the point.

As part of the ongoing debate that we have had annually on this program, we have been able to persuade the Congress that with respect to the direct contributions made to private companies that are providing some of the largest organizations and companies in the world with money to supplement their advertising accounts, it simply cannot be defended and is an outrageous use of taxpayer dollars. So we created a small business category that is eligible to receive the private company distributions. That is currently part of the law.

But that only tells part of the story, because as you will see, the top recipients of the Market Access Program—this is the specific brand of the product that you can see here—continue to be some of the largest companies in America: Sunkist Growers, $2,594,000; Blue Diamond Nuts, $4,419,000; Welch's Foods, $707,000; Sunsweet, $616,000; Ernest & Julio Gallo, $598,000; Tyson Foods, $440,000; and Ocean Spray, $320,000.

The way that they have been able to effectively circumvent the limitation that this money should be made available only to small businesses is that industry associations and cooperatives that receive the money directly from the Foreign Agricultural Service can in turn make grants to members of the association or to the cooperative members themselves. So that is how we continue to see these substantial amounts of money that continue to flow into these large companies.

Proponents of the program will justify this corporate giveaway by pointing to various studies that exalt the benefits reaped by these advertising campaigns, but none of the studies cited, nor the benefits that are assigned to this program, can be authenticated.

Mr. President, in the course of the debate on this floor over the years, we have seen near magical benefits attributed to this program—claims that each dollar of spending through the Market Access Program yields about $16 in new agricultural exports in addition to thousands and thousands of jobs. Those have been the arguments essentially that have been used to oppose the elimination of this program.

First of all, if this analysis were correct, perhaps what we ought to do is put more money into this program and in effect have our Head Start youngsters participate in this program in order to achieve these dramatic ''multiplier affects'' that the advocates and defenders of this program have asserted for it.

I want to make a further point: The figure that is used for these multiplier numbers is data taken from a 1995 inagency study of the Market Access Program that has drawn much criticism from GAO.

The GAO found that the analysis on which this and other fanciful claims are based is flawed and does not follow standard cost-benefit guidelines—guidelines that are recommended by the Office of Management and Budget.

The GAO's September report—this is the report that was released in September of this last year—has found that the data that has been used and the methodology does not support the conclusions that advocates of this program attribute to this Market Access Program.

This report, which was completed at the request of the Budget Committee in the House and its chairman, could not authenticate any of these claims that have been made. Here is just a brief summary of what the GAO concluded.

First, the GAO said there is no credible evidence that the Market Access Program has expanded employment and output, or reduced the trade and budget deficits.

Second, it goes on to say that increases in farm employment and income cannot be attributed to Market Access Program spending.

Finally, that the Market Access Program is not an effective counterweight for the export programs of other nations.

That is another argument that I am sure that we will hear—that other countries are helping to subsidize their agricultural industry in providing a number of export subsidies to assist those.

But, as the GAO has reported, this program has not been an effective counterweight to the export programs designed by other countries.

I must say that this hardly is a ringing endorsement for continued expenditures for this program. That is, putting aside the philosophical objections for a moment, there is really no evidence that the money that we are spending—$90 million—accomplishes a thing.

Let me suggest that the Market Access Program has another questionable aspect to it; that is, what is the justification for continuing to subsidize promotional efforts for well-known brand-name products that do not receive Federal assistance? These companies that I have cited, Sunkist, Blue Diamond Nuts, Welch's Foods, Tyson Foods, and Ocean Spray, are fine companies, are highly successful companies and are huge companies in terms of their size. What justification is there to use taxpayer dollars to support in effect augmenting or increasing the kinds of advertising dollars that these companies clearly have the ability on their own to do? They know how to make a judgment as to how their advertising budgets should be spent. That is a private sector determination. The Government has no business, in my judgment, taking hard-earned taxpayer dollars and saying to each of these companies we are going to give you an additional $2.5 million or $1.5 million to add to your budget. I have an objection to that philosophically.

Moreover, when the GAO concluded that these dollars that we have spent over the years really have not accomplished anything, I think it is just totally indefensible.

It is true, Mr. President, as I indicated earlier, that some positive changes have been implemented in the program in an effort to focus more effort on small business and new-to-export producers. However, one-third of all MAP promotions are still brand names. They are product-specific promotions identifying a particular company, and not a generic product that is being exported abroad.

I think when you look at how the money is actually spent, notwithstanding the well-intentioned efforts to focus this program on smaller companies, that we have really failed in that objective.

The top 10 brand-name promotion grants awarded by USDA, the United States Department of Agriculture, in fiscal year 1997 includes some of the well-known products that most Americans probably recognize from U.S.-based advertising.

These are the companies.

My feeling is that I think it is very hard—I think it is impossible—to justify spending taxpayer dollars. Sunkist, for example, a company that employs between 500 and 900 people, and posted sales of over $1 billion, received $5 million in Federal advertising assistance in 1996 and 1997.

What in heaven's world are the taxpayers doing subsidizing the advertising budget of a company with sales exceeding $1 billion annually? You simply can't justify that.

Welch's Foods, another fine product, with over 1,000 employees, rang up more than $550 million in sales, yet was awarded over $1.5 million over the past 2 years as part of this program.

These examples illustrate what I have been saying for a number of years—that this program is a waste of money and public funds should not be used to underwrite private corporate activity.

Proponents of this program will point out accurately that in the last few years, the largest number of awards have gone to small businesses and cooperatives. Much of this is due to the changes to the program that were passed—with the support of the ranking member of the Agricultural Appropriations Committee on the Senate floor—that gave preference to small and nonprofit applicants.

However, it is important to note that the other types of MAP recipients, the cooperatives and the industry associations, as we pointed out, do not limit the contributions that they make to their members based upon size. That is how we have these rather large companies receiving a staggering amount of public assistance. That is why you will not see these names on MAP's award list. Large companies still receive funds through their associations. In fiscal year 1997, the Chocolate Manufacturers Association, the Kentucky Distillers' Association and the Mid-America International Agri-Trade Council passed through funds to M&M/Mars, Maker's Mark Distillery, and General Mills, Inc., respectively, to conduct name brand promotions overseas.

Finally, let me note in this context that we take a look at the names of the top 10 awards for brand name promotions—the top 10 for brand name promotions. It is interesting to note that small businesses received only $825,000 of the $7,816,000 that went to these 10 applicants. In contrast, the top two name brand recipients, Sunkist and Blue Diamond, received more than $4 million, more than half of that $7.8 million total.

We have attempted to tighten the program, with limited funding, to change the definition of preferred participants, but the same large and well-known recipients show up on the MAP award list year after year.

Many of the problems we discussed 5 and 6 years ago continue to go unresolved, and this recent report by the GAO still cannot verify the claims made by the USDA to justify MAP.

The distribution, Mr. President, of millions of dollars of public funds to private businesses for self-promotion does not win any commonsense awards, but continued spending on such a program without confirmation of the program's competitiveness is an unforgivable abuse of public funds.

Before I close my comments, I want to put this program in some perspective, because I expect many of my colleagues will come to the floor to defend this program that takes $90 million of taxpayer dollars and uses it for foreign advertising.

Mr. President, the MAP cannot offset foreign competitors' export subsidies, because it does not make U.S. products more affordable. It is an advertising subsidy, not an export subsidy. We need to ensure that our agricultural programs provide real and measurable

benefits to U.S. farmers and consumers, especially as farmers are facing falling prices, and MAP's benefits do not in any way meet this test.

Perhaps a little history on this program is in order to give some perspective:

The Targeted Export Assistance (TEA) program was authorized as part of the 1985 Food Security Act to reverse the decline in U.S. agricultural exports and specifically to counter the unfair trade practices of foreign competitors.

Unlike products promoted under MAP, only commodities adversely affected by unfair foreign trade practices were eligible for funding under TEA. This restriction continued until 1994, but was eliminated as part of the implementing legislation for the Uruguay Round trade agreements. So, while a link between USDA export promotion aid and foreign trade practices once existed, it is no longer a requirement for MAP participants.

Even when the program was still targeted at unfair trade practices, it was prone to wasteful spending on behalf of huge corporations such as McDonalds, Campbell Soup and a host of others. After a critical audit by GAO, the program's name was changed to the Market Promotion Program as part of the 1990 farm bill.

Then, after two more reports critical of the program, its name was again changed in 1996, this time to the Market Access Program. At that time, Congress was under extreme pressure to end the corporate handout, and some positive and significant changes to the program's management were proposed and adopted:

USDA was directed to stop awarding funds to foreign companies; Participation was restricted to small businesses, cooperatives, and trade associations; and companies were required to certify that funds were not merely substituting for private marketing funds that were already being spent.

I wish that I could say that these changes have ensured that the program provides a fair return to the American people. Unfortunately, even with these restrictions written into law, millions continue to flow to large corporations through associations and cooperatives with no real assurance that the funds are not used to replace private advertising dollars.

These criticisms were restated by the GAO in the report released last fall following yet another GAO investigation, requested by Representative JOHN KASICH, into the effectiveness of the Market Access Program and the claims made about its success.

In this key report, the GAO discredits the analysis used by the USDA in reports that claimed that MAP has a significant impact on the economy, the agricultural sector, and U.S. trade efforts. The GAO audit found fault with each of these conclusions because each was based on the agency's use of flawed methodology and incomplete evaluations of the program's costs and benefits.

The GAO leveled additional changes at the program's management, pointing out enduring problems that Congress has tried to fix in the past. For example, in spite of the requirement that companies use MAP funds to supplement, not supplant, their own advertising spending, GAO found no way to confirm that MAP funds were indeed being used for unique expenditures. The 1993 reconciliation bill required applicants to verify that MAP funds would not replace their own advertising dollars, but this requirement is largely unconfirmed by USDA officials and verification is left up to MAP applicants.

It is also difficult to establish that MAP's stated goal of introducing firms to new markets is being met. Major questions remain unanswered, such as: when have companies or associations had ''enough'' assistance? Some firms will have been participating in the program for 13 years before the 5-year ''graduation'' requirements (instituted in 1994) will begin to take effect. The USDA currently does not have a standard method for deciding when their own program goals are reached, so business interests or associations can stay in the program without regard to their NEED for funds to open new markets.

At the center of the GAO's criticisms of MAP's effectiveness is the faulty economic analysis used by USDA to make its case for the program. GAO reported that USDA's flawed evaluations made it extremely difficult to analyze MAP's contributions to the economy, because the program analysis for MAP does not conform with the Office of Management and Budget's (OMB) agency guidelines for cost-benefit analysis. These guidelines are used by agencies to construct a uniform standard for evaluating programs' performance as required under the Government Performance and Results Act (GPRA). Without using a standard method of evaluating various government programs, it would be nearly impossible to judge any program's effectiveness.

OMB instructs agencies, when analyzing the impact of any program, to assume that resources are ''fully employed'' [''Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs,'' OMB Circular No. A–94, sec 6b(3) (Oct. 29, 1992)]. These guidelines are in place to ensure that, in keeping with the implementation of the Government Performance and Results Act, each agency follows a uniform framework when evaluating costs and benefits of its programs. This framework includes the assumption of fully employed resources.

However, in its 1995 analysis of the Market Access Program, USDA did not adhere to the OMB cost-benefit guidelines and assumed that program resources would otherwise be unemployed. Clearly, it is not accurate, in today's economy, to assume that the funds designated for MAP, or any program, would have no benefit, no alternate use, if otherwise deployed in the economy.

Put another way, USDA took the untenable postion that the resources that went into MAP could not yield benefits to the economy through other uses, such as tax breaks for American families, investment in education, or paying down the debt.

USDA also assumes that MAP-promoted agricultural products would not be exported at all in the absence of this program, which implies that the private sector would not pursue these export opportunities without MAP assistance. This premise holds that on the one hand, these markets would be unprofitable without help from the federal government, but on the other hand, these same markets bring in high returns on promotion expenditures. If the returns on investment are indeed as great as the agency holds, why would the private sector not undertake its own promotional activities?

For a recipient like Sunkist, whose homepage on the Internet boasts that ''Sunkist is the 43rd most recognized name brand in the United States and the 47th most recognized in the world,'' it becomes clear that this program is wasting scarce federal dollars subsidizing an already highly-successful company's advertising budget.

Finally, in its 1995 report USDA also assumes that all of the workers and farmers whose labor and output is associated with MAP-promoted exports would be completely unemployed were it not for the MAP program. Under this premise, USDA calculates these workers' employment and income as benefits generated by MAP, crediting the program with economic expansion and increased tax revenues.

Mr. President, any federal program evaluated under this same set of assumptions would appear to generate income. This type of accounting is not permitted for other programs, and should not be permitted to stand here. The result is that USDA's analysis of MAP includes exaggerated estimates of the program's worth that are misleading but are nonetheless often quoted by proponents of the program.

Let me give you some examples of the overblown gains attributed to MAP as a result of the department's faulty analysis. According to information included in the USDA's 1999 Performance Plan and the Foreign Agriculture Service's five-year strategic plan, the $90 million annual allocation for MAP, through a multiplier effect, results in $5 billion in agricultural exports, expands the national economy by $12 billion, and creates 86,500 jobs. And that is jsut the 1997 impact.

It sounds too good to be true, and it is.

These incredible returns are the result of USDA's ''free lunch'' analysis—

an irrational conclusion that MAP benefits the economy, based on faulty assumptions that federal and private resources have no alternate use or impact on the economy.

Another major claim made in support of MAP is that these funds are needed to counteract the export assistance of our foreign competitors. The GAO report finds this claim, like the others, unreliable because of the lack of verifiable information about foreign competitors' export assistance activities.

We often hear about the large amounts of money that foreign competitors pump into export subsidies, and how important it is to make U.S. crops competitive in foreign markets or risk being locked out of these markets altogether. This argument is irrelevant to any discussion about MAP, however, because unlike USDA's export subsidy programs which lower the prices of U.S. crops abroad, the Market Access Program is not an export subsidy, it is a promotion subsidy, and does not lower prices of U.S. goods in foreign markets.

Furthermore, while it is true that MAP's focus at its creation was countering unfair trading practices employed by our competitors in overseas markets, this is no longer the case. As I mentioned earlier, MAP's focus on matching competitors' moves was removed when the implementing legislation for the Uruguay Round agreements was approved in 1994, allowing MAP funds to be used for general export promotion purposes as the Foreign Agricultural Service sees fit. This change, combined with a lack of first-hand knowledge about foreign export activities, led the GAO to conclude that claims about MAP's effectiveness in countering other nations' export assistance cannot be verified.

Another question that has been raised about this program is whether its export promotion subsidies are undertaken by other programs at USDA. The Congressional Research Service, in a February 1997 report, raises this question in relation to the Foreign Market Development Program (FMD), which has been around since 1954. The FMD program is much like the MAP except that it is focused on developing foreign markets for U.S. commodities, as opposed to name-brand and processed exports. Therefore, its jointly-funded activities are aimed more at technical assistance and market research rather than advertising and other consumer-oriented promotions. However, unlike MAP, funding levels for FMD have remained under $50 million annually, and activities have not grown to include brand-name promotions.

While these two programs take a similar approach to different markets, there has been very little analysis of which type of promotion is more effective. It would be helpful to be able to compare MAP's track record with the results attributed to FMD, but this information has not been compiled by the USDA. Nor has there been a study to simply evaluate whether generic or branded promotions are more successful in promoting exports, and where these efforts are most successful.

Mr. President, there is just not enough evidence out there which backs up the claims we have all heard about the Market Access Program. I can think of no other federal program that we allow to receive funds without a rigorous examination of the costs and benefits associated with the government's investment. We demand this kind of analysis even for D&D programs which often have uncertain future outcomes and benefits that are difficult to forecast.

We must ask ourselves, if a policy of underwriting the advertising expenses of large producers and corporate interests makes sense when we are cutting back on funding for domestic food security and important research initiatives. We cannot justify spending one more dime on this unproven program, and this view is shared by a long list of government watchdog and consumers groups representing a broad range of beliefs: Americans for Tax Reform, Capitol Watch, the CATO Institute, Citizens Against Government Waste, Citizens for a Sound Economy, Competitive Enterprise Institute, Friends of the Earth, National Taxpayers Union, Taxpayers for Common Sense, and the U.S. Public Interest Research Group.

I urge all of you to take a long, hard look at this program's track record and vote to end the waste of taxpayer dollars on foreign advertising and promotion.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I think it is very clear from the unanimous vote we had on the resolution with which we started the debate on this legislation that all Senators agree our agriculture sector is under tremendous pressure and the Congress and the President ought to take immediate action to respond to these needs in the agriculture sector because of low prices in some areas, because of adverse weather conditions in other areas, because of a decline in demand resulting from the Asian economic crisis. Some of our strongest customers and markets are in that area of the world.

So I think we have all gone on record as agreeing we need to use our best efforts, we need to mobilize our agencies of Government to take on the responsibility of helping to develop access to new markets, to try to help expand old markets so that we can sell what we are producing and create a better prospect for profit in agriculture in the production sector.

So I don't think we have seen a situation in the last several years when there was any more reason to have a Market Access Program and to invest in an effort to expand these markets and make them more accessible to U.S. agriculture exports.

The purpose of the Market Access Program, which we began in 1985, was to help expand foreign markets. Since then, agriculture exports have doubled. Last year, agriculture exports amounted to $57.3 billion, which resulted in a $21.5 billion agriculture trade surplus, providing jobs for approximately 1 million Americans.

When we had our hearings in our agriculture appropriations subcommittee this year, we had representatives from the administration before our committee talking about the Foreign Agricultural Service programs. I am going to read the Senate something from the statement of one of those officials.

He said:

> The outlook for U.S. agricultural exports is heavily influenced by competitive pressures that differ by commodity and can affect price and/or quantity of sales. One of the primary sources of this pressure is the rising value of the U.S. dollar, especially against the currencies of our major competitors. This has the effect of making U.S. exports more expensive to our customers relative to those of our competitors.

Then there is a discussion in another part of this witness' statement about what some of the competitors are doing to try to enlarge their share of the world market for their products:

> We continue to face stiff competition in markets around the globe. Our annual review of the export promotion activities of the two countries that account for our major competition found that, just like the United States, many of our competitors have ambitious export goals. The EU and other countries assist their producers and small businesses to develop foreign markets through activities similar to our Market Access Program and Foreign Market Development Program.

He goes on to say that in the EU countries, it is estimated that $400 million in 1995 and 1996 would be spent for market promotion:

> In Australia, Canada and New Zealand, those governments have strong governmental promotion agencies and rely heavily on their statutory marketing boards to carry out market development activities for producers of specific agricultural products.

With this information and with the understanding of the success of many of these countries that are competing with us for market access and market goals, it would be the height of folly, in my judgment, to abandon one of the most successful programs that we have had to assist our agriculture producers in finding new markets and expanding those markets. We have had almost every year since I have been managing this agriculture appropriations bill an effort to either reduce the amount of money we were spending on market access promotion or to eliminate the program entirely.

In the writing of the 1996 farm bill to try to deal with some of the criticism that had been directed toward this program, it was reformed and changed so that this year for the first time only small businesses and farm cooperatives will be eligible to have the benefits of

this Market Access Program. There had been criticism that only the big, wealthy companies were benefiting, only brand names were being advertised. It was a way for big companies to avoid having to pay their own advertising costs.

Let me explain that. Because of the reforms that have been made and the experiences that many have had in the program, the evidence is very compelling that this program has been working by attracting attention to the fact that American-made products do have high quality. Not only the raw agriculture commodities that are sold, but those that are processed and manufactured—some of those qualify and are eligible for participation in this program. Let me just give one example.

The U.S. cotton industry, through the Cotton Council International organization, working under the Department of Agriculture's oversight, retains control over the expenditure of funds that are made available for the cotton industry. These Market Access Program funds are applied only to Cotton Council International advertisements that are produced to communicate the benefits of U.S.-grown cotton and establish consumer preference for products that bear the name ''Cotton USA.'' This is a trademark. It is registered. It represents all of U.S. cotton and manufactured cotton products in export promotion. These funds are used to advertise ''Cotton USA,'' and it associates that brand name with qualified manufacturers. The funds are not used to subsidize the advertising of private companies but, rather, all U.S.-grown cotton.

Let me tell you what the results are. In 1997 alone, the Market Access Program helped combat unfair trading practices of other countries. It helped U.S. cotton producers get more income from the market as farm program payments declined. It helped generate $2.5 billion in cotton fiber exports and $5 billion in manufactured cotton product exports. It helped expand jobs, with over 150,000 workers depending directly on cotton and cotton product exports. That is one example of an agriculture commodity that is very important in my State of Mississippi and throughout our country. It is one of our major agriculture exports from our State.

There are many others. The cooperatives that are involved in produce, the fruit and vegetable business in California and elsewhere, have indicated how important this program is to them. As a matter of fact, there is an entire list of organizations which have banded together and described themselves as the Coalition to Promote U.S. Agricultural Exports. They wrote me a letter dated June 22, 1998. The coalition membership list is attached to this letter. It runs the gamut across the country of various kinds of agricultural organizations and producer groups. But I wanted to just read a couple of things from this letter, and then I will have the entire letter, and the list, printed in the RECORD:

> Reducing or eliminating [Market Access Program] funding in the face of continued subsidized foreign competition, and with another round of trade negotiations set to begin in 1999, would be nothing less than unilateral disarmament. Such action would also violate the commitments made when Congress approved the 1996 farm bill and [it would] jeopardize its continued success.

The letter also points out that this amendment to reduce funding that the Senator from Nevada is offering again this year was defeated last year—the effort to eliminate the funding—by a vote here in the Senate of 59 to 40. I think the Senate has come to realize this is an important program, it deserves the support of the Senate, and it has been reformed and revised so that the eligibility standards, the U.S. Department of Agriculture oversight, all make sure that the funds are spent wisely and that we get our money's worth as a result of this investment.

Mr. President, there are also other specific groups that have benefited from the Market Access Program. It has come to my attention, for example, that the catfish industry—which is still a new industry that has been growing enormously in our country—is dependent upon the exports that we have come to appreciate. And in the European market, one example is Germany. Since 1991, catfish exports to Germany have increased from 18 metric tons a year to 237,437 metric tons in 1996.

The Washington apple industry credits the Market Agriculture Promotion Program with fostering its dramatic apple export expansion to Indonesia. Here is a country that has had substantial economic problems recently, but back in 1990 they had less than $800,000 worth of apples being sold into that market. But each year since then, in spite of economic conditions there, sales have expanded, culminating in recent exports totaling $34 million.

Another example is the U.S. Meat Export Federation. It offers a Branded Product Promotion Program to help private companies, small businesses and cooperatives, promote their own labels in foreign countries. This Branded Product Promotion Program has been instrumental in helping a small Ohio company called Certified Angus Beef introduce new-to-market meat cuts overseas. The sales have risen from 6.2 million pounds in 1990 to 37.3 million pounds in 1996. The association members throughout the country have benefited from these export sales. The association has received $53,000 in funding from MAP over a 6-year period.

This is another specific example where we have targeted the MAP funds to small businesses, to associations, to cooperatives, and, for the first time in 1998, according to Secretary Glickman when he testified before our committee, this will be the first year when all of the funds will go to such entities.

I think it is very clear from the evidence we have accumulated and the testimony we have had, and our hearings, that for U.S. agriculture to remain competitive, we are going to have to continue the policies and programs that have been effective, and we are going to have to deal with the reality of competition from others. The amendment proposed by the distinguished Senator from Nevada would make us take a step backwards. It would make us give up one of the most effective tools we have to help American agriculture continue to prosper.

The promotion activities of the Department of Agriculture have established a foundation for future market growth and expansion. But it is more important now, with the world situation as it is and hardships in American agriculture that have been identified over the last day and a half in discussions here on the floor, that the Department continue to work as hard as it can to use its resources to be a partner with the farmers and the exporters of America to meet our expansion objectives for American agriculture. Our exports are essential, not only to agriculture, but to the Nation's economic well-being as well.

Jobs are created in the producing and packaging industries, in transportation—a wide range of economic activities are affected by agriculture. It is one of the strongest economic sectors we have. To keep it that way, we are going to have to take care of it. We can't just let it shrivel. We can't let it be the victim of international conditions as exist in Asia today. We have to do our part. The Senate has to do its part, too. American agriculture needs us, needs the programs like the Market Access Program, in order to compete in this new global environment.

I can't stress any more than I have tried to the importance of our rejecting this amendment. I urge all Senators to oppose the amendment.

Mr. President, I ask unanimous consent that the letter I referred to from the Coalition to Promote U.S. Agriculture Exports and list of members be printed in the RECORD.

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

COALITION TO PROMOTE
U.S. AGRICULTURAL EXPORTS,
Washington, DC, June 22, 1998.

Hon. THAD COCHRAN,
Chairman, Subcommittee on Agriculture, Rural Development and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to urge your continued strong support for USDA's Market Access Program (MAP) when the Senate considers the FY 1999 Agriculture Appropriations bill (S. 2159). Such support is essential to help encourage U.S. agriculture exports, counter subsidized foreign competition, strengthen farm income and protect American jobs. Last year with your leadership, the Senate rejected efforts to eliminate funding for MAP by a vote of 59 to 40.

Both farm income and the economic well-being of agriculture are heavily dependent on exports, which account for as much as one-third or more of domestic production. This is especially true since passage of the 1996 farm bill (FAIR Act), which gradually reduces farm programs over a 7 year transition period, while providing producers with

greater planting flexibility to respond to the global marketplace.

Much of the support for the 1996 farm bill was based on assurances that programs encouraging U.S. agriculture exports would remain a key component of U.S. policy. The global marketplace continues to be characterized by subsidized foreign competition. Last year, the European Union budgeted $7.2 billion for export subsidies. Along with other foreign competitors, it also spent nearly $500 million on market promotion efforts. (This compares with $90 million authorized for MAP.) The EU spends more on wine promotion than the U.S. spends for all commodities combined.

While small compared to similar efforts by other countries, MAP has been a tremendous success as a cost-share program in helping encourage U.S. agriculture exports. Last year, such exports amounted to $57.3 billion, resulting in a positive $22 billion agricultural trade surplus. Without U.S. agriculture exports, our nation's trade deficit would be even worse. U.S. agriculture exports also provided jobs for nearly one million Americans. Every additional billion dollars in agriculture exports help create as many as 17,000 or more new jobs.

Reducing or eliminating MAP funding in the face of continued subsidized foreign competition, and with another round of trade negotiations set to begin in 1999, would be nothing less than unilateral disarmament. Such action would also violate the commitments made when Congress approved the 1996 farm bill and jeopardize its continued success.

Again, we urge your continued support for this vitally important program by opposing any amendments that would either eliminate or reduce funding.

Sincerely.

COALITION TO PROMOTE
U.S. AGRICULTURE EXPORTS

COALITION MEMBERSHIP—1998

Ag Processing, Inc.
Alaska Seafood Marketing Institute.
American Farm Bureau Federation.
American Forest & Paper Association.
American Meat Institute.
American Seed Trade Association.
American Sheep Industry Association.
American Soybean Association.
Blue Diamond Growers.
California Agricultural Export Council.
California Canning Peach Association.
California Kiwifruit Commission
California Pistachio Commission.
California Prune Board.
California Table Grape Commission.
California Tomato Board.
California Walnut Commission.
Cherry Marketing Institute, Inc.
Chocolate Manufacturers Association.
CoBank.
Diamond Walnut Growers.
Eastern Agricultural and Food Export Council Corp.
Farmland Industries.
Florida Citrus Mutual.
Florida Citrus Packers.
Florida Department of Citrus.
Froedtert Malt Corporation.
Ginseng Board of Wisconsin.
Hop Growers of America.
International American Supermarkets Corp.
International Dairy Foods Association.
Kentucky Distillers Association.
Mid-America International Agri-Trade Council.
National Association of State Departments of Agriculture.
National Cattlemen's Beef Association.
National Confectioners Association.
National Corn Growers Association.
National Cotton Council.
National Council of Farmer Cooperatives.
National Dry Bean Council.
National Farmers Union.
National Grange.
National Hay Association.
National Grape Cooperative Association, Inc.
National Milk Producers Federation.
National Peanut Council of America.
National Pork Producers Council.
National Potato Council.
National Renderers Association.
National Sunflower Association.
NORPAC Foods, Inc.
Northwest Horticultural Council.
Pet Food Institute.
Produce Marketing Association.
Protein Grain Products International.
Sioux Honey Association.
Southern U.S. Trade Association.
Sun-Diamond Growers of California.
Sun Maid Raisin Growers of California.
Sunkist Growers.
Sunsweet Prune Growers.
The Catfish Institute.
The Farm Credit Council.
The Popcorn Institute.
Tree Fruit Reserve.
Tree Top, Inc.
Tri Valley Growers.
United Egg Association.
United Egg Producers.
United Fresh Fruit and Vegetable Association.
USA Dry Pea & Lentil Council.
USA Poultry & Egg Export Council.
USA Rice Federation.
U.S. Apple Association.
U.S. Feed Grains Council.
U.S. Livestock Genetics Export, Inc.
U.S. Meat Export Federation.
U.S. Rice Producers Association.
U.S. Wheat Associates.
Vinifera Wine Growers Association.
Vodka Producers of America.
Washington Apple Commission.
Western Pistachio Association.
Western U.S. Agricultural Trade Association.
Wine Institute.

Mr. COCHRAN. Mr. President, for the benefit of the record, I quoted one of the witnesses who testified before our hearing. The person I quoted was Lon Hatimaya, who is Administrator of the Department of Agriculture's Foreign Agriculture Service.

Mr. BRYAN. Mr. President, has the distinguished floor manager yielded the floor? Apparently the answer is yes. Mr. President, if I might be recognized.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I find myself in agreement with at least the concern that is expressed by the able chairman of the subcommittee. There is no question that certain agricultural segments in America face a real crisis. As I said at the outset of our discussion on this amendment, I am not unmindful, I am not unsympathetic, of these concerns and, indeed, I expect to support a number of proposals that will be advanced to assist American agriculture as it moves through this crisis period.

I do not deny that the decline has demanded, that the turmoil in Asia has created a problem, that there are some weather-related phenomena, that, indeed, there may be some competitive practices by those who compete in the world's international agricultural markets that may be decidedly unfair to American agriculture. I am concerned about that as a citizen and am prepared to support measures that effectively deal with that issue and help American farmers. I am for that.

I recognize that, as the myth of this program has taken on legendary proportions, it is an article of faith, unshaken by factual analysis, that somehow the Market Access Program provides additional farm employment, expands exports internationally, is a significant contributor to the growth of the American economy, and somehow is an effective counterweight to some of the unfair competitive practices which American agriculture faces abroad.

Mr. President, the problem with that is that each of those arguments has been analyzed in considerable detail, not by the Senator from Nevada but by the GAO in its most recent report of September 1997.

Very simply, what the GAO report concludes is that none of the claims, none of the assertions made, can be verified or authenticated—none; none. The GAO report goes to the heart of the argument that, notwithstanding this mythic epic that seems to have arisen that suggests that this program is indispensable to American agriculture, the GAO report says, ''Look, none of that, none of that can be verified.'' That is the basic premise here.

Yes, I want to be supportive and helpful to American agriculture in its time of crisis, but how can you support a program that in 10 years has cost the American taxpayer $2.3 billion?

Let me make it clear—and this is not the subject of debate today, and the Senator from Nevada certainly will yield to the Senator from Mississippi in terms of his expertise in agricultural programs—but so none of my colleagues is somehow under the impression that this Market Access Program which I seek to eliminate strikes at the core of what we are trying to do to help American agriculture, let me point out that in this same 10-year period that we spent $2.3 billion on a program which the GAO says does not do what it is intended that it does, or at least it cannot verify or authenticate it, we have spent $9 billion on export subsidies, $7.8 billion on food aid, $53.1 billion in loan guarantees. We have tried to deal with some of the issues which American agriculture faces in the international marketplace.

Point No. 1: If nothing else is taken out of this debate, the GAO says this program, notwithstanding the intensity and the passion that its advocates share for it, simply doesn't do the things that the advocates contend. Point No. 1.

The second point that I think needs to be raised, even if one conceded for the sake of argument—and I do not and the GAO does not—how can you continue to justify paying $2.5 million to

the good folks at Sunkist? How do we justify paying $1.5 million to the good folks at Blue Diamond Nuts? These are sophisticated, highly effective American companies whose products are world class, and, notwithstanding the fact that none of these products are grown in my State, I think as Americans we take great pride in their success, and the fact these products are found in the storefronts in the markets of the world, that is wonderful, but how do we justify subsidizing with taxpayer dollars? These companies have advertising budgets of tens of millions of dollars—probably much more than that. So the American taxpayer is asked to write a check to subsidize these advertising accounts.

This program is not an export subsidy, it is an advertising subsidy. The point I make in response to the point of my able colleague from Mississippi is, No. 1, the GAO says it doesn't accomplish what it says it is designed to accomplish; and, No. 2, the philosophical point, notwithstanding all of our attempts to reform this program that it ought to be confined—I don't think it ought to be in existence—to small companies, still when you look at the top 10 companies that receive these dollars, small businesses receive only $825,000 of the $7,816,000 that went to these top 10 applicants.

Notwithstanding what we attempted to do in previous years, in effect, large companies continue to be the beneficiaries of a substantial amount of taxpayers' dollars to supplement their advertising accounts.

My good friend and I have an honest difference of opinion. I think that is wrong. I am willing to work with and to support Members from agricultural States in trying to do something that makes sense, that works, that can be helpful, but at this point the GAO has concluded that none of the claims has any validity. I think it is very difficult to continue as we have for the last decade where we spent $2.3 billion on this program.

Mr. President, I yield the floor.

AMENDMENT NO. 3157

Mr. BUMPERS. Mr. President, the amendment offered by the Senator from Nevada, Mr. BRYAN, in my opinion, is a meritorious amendment. He and I fought this battle. I fought it for maybe 3 or 4 years alone, and then Senator BRYAN came to the Senate, and we have labored in the venue of trying to do away with what was then the Market Promotion Program and now called the Market Access Program.

I have absolutely no quarrel with trying to assist people who really need help. The Export Enhancement Program isn't being used. It is a big program, but it isn't being used. When I started on this, the Market Promotion Program included the biggest companies in America, and that is the source of my objection.

I am talking about some of the biggest corporations in America. And I see my good friend, Tyson Foods, is on the list still. I am sure they welcome getting $440,000 a year. Tyson Foods does over $5 billion a year, and I certainly do not want to pick on a company in my home State, particularly one that has so many of my close friends in it. But that is precisely the reason I have always objected to this program. I know that it does some good.

I heard the chairman, Senator COCHRAN, talking a while ago about some of the benefits of it, and who has benefited, and how much, and so on. I just think it is welfare for the rich. That is the reason I have always opposed it.

Senator COCHRAN and I disagree. I guess this is about the only thing—maybe one or two things—we will disagree on in this entire bill. We get along famously in the committee, but this is one that I simply could not let my dear friend, Senator BRYAN, take on alone. I just wanted to get my 2 cents' worth in and to state that I will vote with Senator BRYAN on this.

I yield the floor.

Mr. KEMPTHORNE. Mr. President, I rise today in support of the Market Access Program. This program continues to be a vital and important part of U.S. trade policy aimed at maintaining and expanding U.S. agricultural exports, countering subsidized foreign competition, strengthening farm income and protecting American jobs.

The Market Access Program has been a tremendous success by any measure. Since the program was established, U.S. agricultural exports have doubled. In Fiscal Year 1997, U.S. agricultural exports amounted to $57.3 billion, resulting in a positive agricultural trade surplus of approximately $22 billion and contributing billions of dollars more in increased economic activity and additional tax revenues.

For example, the Idaho State Department of Agriculture received $125,000 of Market Access Program funds during the past year. These funds were used to promote Idaho and Western United States agricultural products in the international markets of China, Taiwan, Brazil, Mexico, Guatemala, and Costa Rica. One particular activity, the promotion of western U.S. onions in Central America, required $15,000 of MAP funds and generated inquiries for onions valued at $150,000.

Demand for U.S. agricultural products is growing 4 times greater in international markets than domestic markets. MAP has been an enormously successful program by any measure in supporting this growth. Since the program began in 1985, U.S. agricultural exports have more than doubled—reaching a record of nearly $60 billion dollars in 1996; contributing to a record agricultural trade surplus of $30 million; and providing jobs to over 1 million Americans.

MAP is a key element in the 1996 Farm Bill, which gradually reduces direct income support over 7 years. Accordingly, farm income is now more dependent than ever on exports and maintaining access to foreign markets.

Two years ago, European Union (EU) export subsidies amounted to approximately $10 billion in U.S. dollars. The EU and other foreign competitors also spent nearly $500 million on market promotion. The EU spends more on wine promotion than the U.S. spends for all its commodities combined.

Mr. President, the Market Access Program should be fully maintained as authorized and aggressively utilized by the U.S. Department of Agriculture to encourage U.S. agricultural exports, strengthen farm income, counter subsidized foreign competition and protect American jobs.

Mr. FEINGOLD. Mr. President, I join the National Taxpayers Union, the Friends of the Earth, Citizens Against Government Waste and other pro-consumer government watchdog groups in supporting Senator BRYAN's amendment to terminate the Market Access Program. Throughout the years, this wasteful program has sometimes carelessly used taxpayer money to help those who can afford to help themselves—instead of this country's struggling small farmers.

Mr. President, over the last ten years, the USDA has shelled out $1.4 billion for the Market Access Program (MAP), which is intended to promote U.S. products abroad. MAP has been roundly criticized for giving away millions of taxpayer dollars to agribusiness giants in the name of trade, but the program has managed some unusual feats, including scaring off foreign consumers. As we face the already challenging task of reducing the deficit and preserving Social Security, MAP is a program that the federal budget, and the taxpayer, can do without.

I do not need to remind members of the millions of dollars wasted on MAP and the programs preceding it. In 1989, we had the Japan/California raisin fiasco. The California Raisin Board ran untranslated ads to promote their raisins in a market where raisins were rare. Baffled at the sight of these strange dancing blobs, many Japanese children were frightened. Mr. President, it's safe to say that if the California Raisin Board had done any market research, they would not have wasted $3 million on those commercials. They wouldn't have been so careless.

MAP is the kind of program most taxpayers know little or nothing about, but we are paying dearly for it. Though the program has undergone some changes over the last nine years, it continues to dole out money to some of the largest agriculture companies in the country with funds that could instead be used to help small farmers.

Some of the companies receiving MAP funds in fiscal year 1998 include Sunkist Growers and Blue Diamond Growers. Both are big companies that can afford to market their own products abroad without spending tax dollars. The list includes a host of other beneficiaries of MAP's 1998 $90 million dollar budget, including the California Pistachio Commission, the Mohair

Council of America, Kentucky Distiller's Association and the Wine Institute.

Mr. President, it is true that MAP was changed in the 1996 Farm bill to direct funds to cooperatives and trade associations instead of corporations, but a loophole still allows the companies that belong to those trade associations to continue to receive and spend taxpayer funds.

Mr. President, I believe in supporting and strengthening America's position in foreign markets, but when we allocate precious tax dollars to be used toward that end, we must spend them on concrete efforts to get American products on to the shelves in those markets, instead of subsidizing advertising campaigns for major corporations.

The USDA's own estimates put U.S. agricultural exports in 1998 down more than two billion dollars from the previous year. More than ever, Wisconsin farmers need the USDA to promote and place U.S. agricultural products in foreign markets through more successful export programs, not to line the pockets of big agribusiness and Madison Avenue.

I urge support of the Bryan amendment and yield back the balance of my time.

Mr. COCHRAN. Mr. President, I know of no other Senators who want to debate this amendment.

Let me just state for the information of all Senators the plan, as I understand it, that most who are involved have agreed upon, and that is to have a vote on a motion to table the Lugar amendment, which will be made by Senator STEVENS at 6 o'clock, and following that, a vote on a motion to table the Bryan amendment, which I intend to make. We will have the yeas and nays on both of those amendments.

It is the suggestion of the managers that if the Lugar amendment is not tabled, that that be the pending business following the vote on the motion to table the Bryan amendment. I don't want to speculate on how the vote on the motion to table the Bryan amendment will come out. The last time we voted, it was 59 to 40 in favor of tabling the amendment. That vote occurred on July 23, 1997, and it was an amendment to reduce the Market Access Program by $20 million. The vote No. was 199.

So I am making that as an announcement to the Senate. If anyone has any comments to the contrary or observations to make about it, we will be glad to consider those comments and observations.

Mr. BRYAN. If the Senator from Mississippi will yield for a moment?

Mr. COCHRAN. I am happy to yield.

Mr. BRYAN. The procedure that he outlined is certainly agreeable to the Senator from Nevada. He correctly recites the vote, which I greatly regret, a year ago. I simply say, this is a time for redemption for Senators tonight. Tonight they have an opportunity to exercise that redemption. I thank the Senator.

Mr. COCHRAN. I thank the Senator.

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

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

AMENDMENT NO. 3156

Mr. CHAFEE. Mr. President, I am pleased to join with Senator LUGAR and others in offering this amendment today. The proposal seeks to establish a more balanced, deliberative U.S. policy as regards international sanctions.

Today, nations throughout the world look to the United States for leadership. The end of the cold war has clearly left the United States as the sole remaining superpower. We are sought after for many reasons: Financial assistance, military might, political leadership, and the advocacy of democratic ideals.

When the world looks to us for leadership on international sanctions, I am afraid that the administration and Congress have taken steps that increasingly have undermined our Government's reputation and influence abroad. The tendency—and it is particularly true with regard to Congress—to impose sweeping unilateral—that is, we do it alone—economic sanctions against nations whose behavior we disapprove of, I believe, is detrimental to our national interest and certainly has not succeeded in producing the results that we seek.

Let us look at several recent examples. We have heard much about the situation with respect to Pakistan, in which the threat of tough, mandatory U.S. sanctions did nothing to dissuade the Pakistanis from testing nuclear weapons. The 30-year embargo on Cuba, has done nothing to hasten the end of the Castro regime or ease the suffering of the Cuban people. And just this year, we passed legislation to impose sanctions on entities suspected of assisting Iran's missile program.

Moreover, when our sanctions have been structured to punish countries who continue to deal with the rogue nation we are trying to isolate, the outcome has been even murkier. All that these secondary sanctions end up doing is generating bad feeling among our allies about ''American imperiousness,'' and precipitating complaints from our trading partners to the World Trade Organization. As a result, the world's attention turns away from the rogue nation in question, and instead focuses on the United States and its actions.

Mr. President, if Congress continues this habit of imposing, on an ad hoc basis, unilateral sanctions against any nation because of a form of behavior we find objectionable, our influence in the world will be diminished. While sanctions laws may feel good and bolster our sense of righteous indignation, sanctions imposed under these laws far too often do nothing more than antagonize nations and their peoples, and get us into trouble with our trading partners. Moreover, sanctions mean that our influence on the region in question drops sharply. And less U.S. influence means that the values we hold dear—democratic government, market economics and respect for human rights—will not be promoted worldwide. There must be a better way.

I am an original cosponsor of S. 1413, the original Lugar bill to make wide-ranging reforms of our laws on unilateral sanctions. The amendment before us today, which is based on that legislation, would establish procedural guidelines and informational requirements before any further unilateral sanctions are imposed. It also provides for enhanced consultation between the executive and legislative branches of government prior to the imposition of sanctions. Finally, it mandates a two-year sunset for such sanctions, unless Congress specifically chooses to renew them.

This amendment does not preclude Congress or the President from taking action necessary to achieve vital national security and trade objectives. However, it does ensure that such measures first will be considered in a thoughtful and responsible manner, and that we at least will have some idea as to whether these policies may actually achieve their intended goals. Thus, I urge my colleagues to support the Lugar amendment.

I do want to stress that I think it is a great mistake for us to embark on these unilateral sanctions as freely as we do. This amendment, I believe, is a good one. Furthermore, it says that if we do impose sanctions, that there is to be a sunset provision. That sunset provision goes into effect after 2 years, unless, of course, Congress chooses to renew the sanctions.

This amendment does not preclude Congress or the United States from taking action necessary to achieve vital national security or trade objectives, but it does assure that such measures are, first, very carefully considered in a responsible manner and that we at least have some idea as to whether the policies may actually achieve their stated goal.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am saddened to have to attempt this, but I want to state to the Senate that it is to me a watershed issue now for this year. This bill really is going to go into serious gyrations if the Lugar amendment is adopted. In the first place, if it goes to the House with this amendment, it means an entirely different committee will have to review this amendment and it will make conferencing this bill very difficult.

I find myself in the position where I probably support a lot of what is in the amendment of the Senator from Indiana. I understand it is a bill that was

introduced and has not moved forward as he would like. We do have a task force that was appointed by the leader to look into the problem of sanctions; the whole approach of Senator LUGAR is under review by that task force. We are hopeful we will have a proposal to act on that, we will have bipartisan support. Broad support in the Senate would be necessary to pass it.

The Senate, last week, passed legislation that was suggested by a group here in the Senate and it has been considered by the House. It has been modified and sent to the President to deal with one part of the sanctions program. I congratulate the current occupant of the Chair for his part in that effort. I think it is an effort that must be made.

As chairman of this committee, I want to tell the Senate that we are approaching the time when we will lose the first week of the August recess. We will probably have to come back the first week of September and we still won't finish by September 30, if we add to appropriations bills full bills that deserve the consideration of the Senate. That will add to the time it takes to get the appropriations bills through this process.

I hope that the majority leader will assist in trying to convince Members of the Senate, let's not do this this year. There are legitimate riders. There are legitimate limitations on expenditures. There are legitimate concepts in terms of dealing with the appropriations process that we will have to fight out here on the floor, but we should not have to fight out here on the floor amendments that will require the bill, when it goes to the House, be subject to conference by another full committee in the House. It is not right to do that, and I hope the Senate will agree with me.

I move to table the amendment of the Senator from Indiana, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 3156. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—53

Abraham	Collins	Harkin
Akaka	Coverdell	Hatch
Ashcroft	D'Amato	Helms
Bennett	DeWine	Hollings
Bingaman	Faircloth	Hutchinson
Boxer	Feingold	Inhofe
Breaux	Ford	Inouye
Bryan	Graham	Kennedy
Campbell	Grassley	Kerry
Kohl	McConnell	Snowe
Kyl	Mikulski	Specter
Lautenberg	Murray	Stevens
Leahy	Nickles	Thompson
Levin	Reed	Thurmond
Lieberman	Reid	Torricelli
Lott	Sarbanes	Wellstone
Mack	Shelby	Wyden
McCain	Smith (NH)	

NAYS—46

Allard	Domenici	Landrieu
Baucus	Dorgan	Lugar
Biden	Durbin	Moseley-Braun
Bond	Enzi	Moynihan
Brownback	Feinstein	Murkowski
Bumpers	Frist	Robb
Burns	Gorton	Roberts
Byrd	Gramm	Rockefeller
Chafee	Grams	Roth
Cleland	Gregg	Santorum
Coats	Hagel	Sessions
Cochran	Hutchison	Smith (OR)
Conrad	Jeffords	Thomas
Craig	Johnson	Warner
Daschle	Kempthorne	
Dodd	Kerrey	

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3156) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I want to thank the Senate for recognizing the process we have to follow now to limit the consideration of issues that are extraneous to the basic appropriations bills so we can get them through.

I apologize to my friend from Indiana. I do support his effort. But we had to take that action.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 3157

Mr. COCHRAN. Mr. President, it is now my intention to move to table the Bryan amendment. Before doing so, the Senator from California has asked for 1 minute to speak in opposition to the Bryan amendment.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank the Chair.

I hope the Senate will vote to table the Bryan amendment for four reasons: One, we reformed the program and the proceeds do not any longer go to big business; they go to small businesses and cooperatives; two, we have cut this program down from a high of $300 million to about $90 million; three, other countries spend billions of dollars promoting their exports; this is the least we can do; and, four, for every $1 that we put into this Market Access Program, we get back $12 in increased exports. So I hope you will join me in voting to table the Bryan amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that the sponsor of the amendment, Senator BRYAN, be given 1 minute to respond.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nevada.

Mr. BRYAN. Mr. President, I would simply make the point that all of the assertions and claims that have been made by the advocates for the Market Access Program have been considered by the GAO in a report released last September. They have rejected all of them. We have spent $2.3 billion in the last 10 years and the GAO concludes that they cannot establish any benefit of the program. Unfortunately, our attempt to reform the program does not prevent the largest businesses in America from continuing to have their advertising budgets supplemented to the tune of millions and millions of dollars—$5 million subsidizing the advertising budget of one of these large companies.

I hope my colleagues will recognize that this is a program that simply does not work and support the Bryan amendment by voting against the motion to table.

The PRESIDING OFFICER. Who seeks recognition?

Mr. COCHRAN. Mr. President, I move to table the Bryan amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Bryan amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 70, nays 29, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—70

Akaka	Durbin	Leahy
Baucus	Enzi	Levin
Bennett	Faircloth	Lieberman
Biden	Feinstein	Lott
Bond	Ford	Lugar
Boxer	Frist	Mack
Breaux	Gorton	McConnell
Burns	Graham	Murkowski
Byrd	Gramm	Murray
Campbell	Grassley	Roberts
Chafee	Hagel	Santorum
Cleland	Harkin	Sarbanes
Coats	Hatch	Sessions
Cochran	Helms	Shelby
Collins	Hutchinson	Smith (OR)
Conrad	Hutchison	Snowe
Coverdell	Inhofe	Specter
Craig	Inouye	Stevens
D'Amato	Jeffords	Thomas
Daschle	Johnson	Thurmond
DeWine	Kempthorne	Warner
Dodd	Kerrey	Wyden
Domenici	Kohl	
Dorgan	Landrieu	

NAYS—29

Abraham	Feingold	Lautenberg
Allard	Grams	McCain
Ashcroft	Gregg	Mikulski
Bingaman	Hollings	Moseley-Braun
Brownback	Kennedy	Moynihan
Bryan	Kerry	Nickles
Bumpers	Kyl	Reed

Reid	Roth	Torricelli
Robb	Smith (NH)	Wellstone
Rockefeller	Thompson	

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3157) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT TO BAN EGG REPACKAGING

Mr. DURBIN. Mr. President, I want to thank Chairman COCHRAN and Senator BUMPERS for accepting the amendment I offered to ban egg repackaging as part of the Agriculture Appropriations Bill. This amendment is a first step in continuing to ensure the safety of the nation's egg supply.

On April 17, 1998, the Secretary of Agriculture announced a prohibition on the repackaging of eggs packed under the United States Department of Agriculture's (USDA) voluntary grading program. This amendment codifies Secretary Glickman's prohibition which took effect on April 27, and affects eggs packed in cartons that bear the USDA grade shield.

A recent ''Dateline NBC'' program focused public attention on the repackaging of shell eggs by egg packers, and raised concerns about this practice. This amendment will prohibit shell eggs that have left the packing plant, and been shipped for sale, from being returned to the packing plant for repackaging into USDA shielded cartons. This amendment affects the approximately 30% of shell eggs voluntarily graded by USDA.

The amendment also directs that not later than 90 days after the date of its enactment, the Secretary of Agriculture and the Secretary of Health and Human Services shall jointly submit a status report to the Committees on Appropriations of the House of Representatives and the Senate. This report is intended to provide the status of actions taken to enhance the safety of shell eggs and egg products. The report also will provide the status of the prohibition on the repackaging of USDA graded eggs, and provide an assessment of the feasibility and desirability of applying to all shell eggs, not just USDA graded eggs, the prohibition on repackaging in order to enhance food safety, consumer information, and consumer awareness.

The safety of our egg supply is a primary example of the confusing array of laws, regulations, and voluntary programs which divides regulation among four federal agencies and the states. The legislation I have introduced with Senator TORRICELLI—The Safe Food Act (S.1465)—focuses attention on the problems of having multiple federal agencies with jurisdiction over various food safety laws, and how fragmentation and duplication cause waste and confusion. Jurisdiction over eggs is a good example of how confusion, overlap, and the lack of coordination leave the American public subject to food poisoning outbreaks.

The health of American families is at risk if we do not work to ensure that only safe eggs reach America's store shelves. USDA recently reported that each year over 660,000 persons in the United States become sick from eating eggs contaminated with Salmonella enteritidis (SE). Illnesses from SE can be fatal to the elderly, children, and those with weakened immune systems. According to the Centers for Disease Control and Prevention, the SE bacteria caused more reported deaths between 1988 and 1992 than any other foodborne pathogen. The Center for Science in the Public Interest estimated an annual cost of illness from SE at $118 million to $767 million.

Make no mistake, our country has been blessed with the safest and most abundant food supply in the world. However, we can do better. This amendment to ban egg repackaging will help advance the federal government's commitment to continue providing Americans with the safest food supply.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senate majority leader.

Mr. LOTT. Mr. President, I thank the managers for the work they have been doing, the progress they have made and the two votes we just had. We have been working with Senators on both sides of the aisle to identify what amendments we can do tonight. Senator DASCHLE has been working with me on this. So I announce the proposed lineup for the next few amendments to be considered tonight. I think it is important we keep working so we can complete this very important legislation for the Agriculture Department and the farmers of America.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the following amendments be the next first-degree amendments in order and limited to relevant second-degree amendments: Senator KERREY of Nebraska regarding livestock; Senator JOHNSON regarding meat labeling; Senator DODD regarding sanctions; Senator GRAHAM regarding disaster assistance; and Senator TORRICELLI regarding sanctions.

I further ask unanimous consent that if debate is concluded and a rollcall vote is requested that the amendment or amendments be laid aside to recur in the order in which they were debated, and the votes occur beginning at 8:45 with 2 minutes of debate equally divided before each vote begins.

Mr. DASCHLE. Mr. President, reserving the right to object, and it is only for clarification and one suggestion, I ask the majority leader whether the order could be DODD, TORRICELLI, JOHNSON and KERREY?

Mr. LOTT. I guess we did say in that order, but that order can be rearranged, unless the manager has a problem.

Mr. COCHRAN. For clarification, the 8:45 time that the majority leader indicated for the vote will be this evening rather than in the morning?

Mr. LOTT. At 8:45 p.m. tonight. That will give Senators a chance to have a meal that they might have agreed to have and also give the managers time to work through these amendments, but lock in their conclusion, and then that will be it for tonight after that block of votes.

Mr. DASCHLE. Mr. President, I also ask if the majority leader will object to dividing the time for the four amendments equally between now and 8:45?

Mr. LOTT. Is the Senator suggesting each amendment get the same amount of time? Mr. President, I do want to amend my unanimous consent request to comply with the lineup that Senator DASCHLE asked for. Will the Senator repeat that? What order?

Mr. DASCHLE. I was going to suggest Senator DODD, Senator TORRICELLI, Senator JOHNSON, Senator GRAHAM and Senator KERREY.

Mr. LOTT. Unless the managers have an objection, I amend my unanimous consent request to that extent.

Mr. TORRICELLI. Reserving the right to object.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Will the leader clarify for me the time in opposition to Senator DODD, who will be controlling time?

Mr. LOTT. It will be controlled by Senator COCHRAN, the opponent of the amendment, but I am sure he will be very fair in the disposition of that time so that others can speak against that amendment.

Mr. TORRICELLI. His disposition looks very fair, so I withdraw the objection.

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

Mr. LOTT. I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 3158

(Purpose: To exempt agricultural products, medicines and medical equipment from U.S. economic sanctions)

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 bill clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. WARNER, Mr. ROBERTS, Mr. HAGEL, Mr. DORGAN, Mr. GRAMS and Mr. HARKIN, proposes an amendment numbered 3158.

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

The PRESIDING OFFICER. Is there objection? Is the Senator from Kansas objecting?

Mr. ROBERTS. I want, Mr. President, to offer an amendment in the second degree.

The PRESIDING OFFICER. Is there objection to the dispensing with the reading of the amendment? Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill at the following new section:

SEC. (A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS. Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS. Section (B)(1) of this section shall not apply to any regulations or restrictions of such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE. This section shall take effect on the date of enactment of this act.

Mr. DODD. I ask for the yeas and nays on the first-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Thank you, Mr. President.

AMENDMENT NO. 3159 TO AMENDMENT NO. 3158

(Purpose: To perfect the amendment exempting agricultural products, medicines and medical equipment from U.S. economic sanctions)

Mr. ROBERTS. Mr. President, I have an amendment in the second degree that I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. ROBERTS] proposes an amendment numbered 3159 to amendment No. 3158.

Mr. ROBERTS. 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:

Strike all after the first word in the pending amendment an insert in lieu thereof the following:

''(A) Findings. (1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medial equipment needlessly harm American farms and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) Exclusion from Sanctions. Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing), of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) Exceptions. Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) Effective date. This section shall take effect one day after the date of enactment of this section into law.''.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I offer this amendment and the second-degree amendment, which fills out the tree on behalf of myself, Senator WARNER, Senator ROBERTS, Senator HAGEL, Senator DORGAN, Senator GRAMS and Senator HARKIN.

Very simply, what this amendment does is codify what Members have expressed over the last several days that they would like to see accomplished worldwide. We eliminated last week the use of food and medicine to people as a sanction in the case of Pakistan and India. We felt that was an unwise use of the sanctions; that average people, poor people should not suffer at the hands of our Nation despite the decisions made by the power elite in their own nations.

What my colleagues and I who have offered this amendment today are suggesting is that same principle ought to be applied worldwide. It is counter to everything we stand for as a people—everything we stand for. To deny people anywhere in the world food and medicine—basic food and medicine—runs contrary to the moral values that we embrace as a people.

Whatever anger we may feel and properly focus on the leadership of nations, we should not cause the innocent people of those nations to suffer as a result of our policies. For far too long, we have allowed the use of food and medicine to be used. There are only two or three countries in the world that today allow their food and their medicine to be used as a tool in foreign policy or as part of a sanctions policy.

Tonight we have an opportunity to change that law, to say that with regard to any sanctions policy, whatever other tools we may want to use depriving countries of certain economic issues, technical equipment, military hardware, availability of our lending institutions—whatever else we may want to use—that food and medicine will not be a part of that mix.

I hope no one has any illusion that in the case of a Saddam Hussein or a Fidel Castro or the leaders of North Korea, the leaders of Iran, I guarantee you tonight that they are eating well. I promise you that if they get sick, they get medicine and they see doctors.

Too often, we have allowed our foreign policy to also work against the innocent people who live in these regimes, in these terrorist countries. If this amendment is adopted, I am told that there will be an amendment offered immediately thereafter which will say that this provision should not apply to terrorist countries. None of us want anything to do with terrorist countries, but does anyone in this Chamber or America believe that the average Iraqi citizen, that the average citizen in Iran, that the average citizen in Cuba or North Korea, despite the leadership of their nation, should suffer because their leaders may engage in activities which are cruel or support terrorist activities?

I happen to believe that ought not to be the case; that the use of food and medicine ought not to be a vehicle in the conduct of our foreign policy.

Mr. President, it was noted earlier today that we have become extremely generous in the application of the sanctions policy. Since World War II, there have been 100 occasions where the United States has imposed sanctions. More than 60 percent of those sanctions have occurred since 1993.

And 61 U.S. laws and Executive orders have been enacted authorizing various types of unilateral economic sanctions against 35 countries in the name of foreign policy. The sanctioned countries comprise 42 percent of the world's population. Roughly 2.3 billion people—potential customers of U.S. goods and services—are being affected.

Mr. President, I suggest that to deprive these people of foodstuffs—I hear that one of the reasons that our farmers are not doing well in this country is because of the difficulty in foreign sales. Aside from the legitimate concern about seeing to it that innocent people are not going to be deprived of food and medicine, here is an opportunity to be able to sell some products that can actually benefit the people in these countries.

Why not take an argument away from those terrorist leaders, those dictators, who constantly want to point to us, the United States, as the reason their economies are in trouble? Why not say this evening that: You can no longer point an accusing finger at America when it comes to the issue of your children, your innocent women,

your innocent civilians, from getting food or medicine? We no longer use that tool in our foreign policy. If your people are suffering, it is not because the United States is banning the exportation of food and medicine. It is because of the economic policies of your own leadership.

Tonight, no matter how angry and legitimate that anger may be at a dictator or a terrorist leader of a country, let us not say to the poor people who have to live under those dictators and terrorists that the United States, as a result of our own policies, will deny you the opportunity to get decent food and decent medicine.

Let us not be a part of only two or three other nations—Third World countries—that I can find who use that kind of a vehicle in the conduct of their foreign policy. There is not a single member of the industrialized world, the civilized world, that utilizes food and medicine. We are the only example of it.

Tonight we have an opportunity, across the board, to eliminate the use of food and medicine as a part of our sanctions policy—still have sanctions, still deprive them, if you will, of the advantage of our engineering, our technology, our military hardware, but we are not going to say that food ought to be a part of that.

Let us join the rest of the world in eliminating that. We, the United States of America, we, the nation who embraces, with great legitimacy, the issue of human rights where innocents are involved, where the meals and the food they need and the medicine they require are involved, we are not going to be the nation that deprives them of the opportunity to use some of the best products in the world.

Mr. President, the world looks to us, particularly in the area of medical devices and medicines. And to deprive poor people of an opportunity to get some of those medicines, to get some of the food—the best grown in the world—I think would be a tragedy. Mr. President, I urge the adoption of this amendment.

I note my colleagues are here from Nebraska and Kansas and may want to be heard on this issue. I yield the floor and request how much time may remain.

We don't have time agreements, do we? No time agreements?

The PRESIDING OFFICER (Mr. ALLARD). There is no time agreement on the amendment.

Mr. DODD. I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, in regard to the amendment offered by the Senator from Connecticut, Mr. DODD, this institution should take some pause. This is some moment. Thirty years of American foreign policy by Democrats and Republicans are about to be put aside. The consequences of what Senator DODD suggests that we do here are enormous. Consider the moment.

These are not isolated humanitarian items. This would open trade for the United States of America with the greatest rogue regimes in the world, where Presidents of the United States, through 3 decades, have drawn the line and said that we will not do business with these governments unless and until they take specific actions to free their people, allow basic human rights, or make basic concessions in their relations with the United States. We are about to clear the table and tell them all is forgotten and all is forgiven.

Consider the actions, Mr. President, through the years about what would be changed. In my State, perhaps more than most in this country, tonight every Member of this Senate would have to address the families of the victims of Pan Am 103. It has been clear to Mr. Qadhafi, until he brings those to justice who were responsible for destroying that aircraft and the lives of all of those families, there will not be trade with the United States on a bilateral basis.

With the amendment of the Senator from Connecticut, the war of wills in which we have been engaged with Mr. Qadhafi, even now while he is discussing bringing those murderers to justice—we proceed. The line that was drawn those years ago is now erased.

With the Sudan—another terrorist state to which now we would sell food and medicines, engage in normal commerce; it harbors Hezbollah guerrillas, the assassins who attempted to kill President Mubarak of Egypt; we were so brave in those days, the United States was so forthcoming in drawing this line—all is forgotten and forgiven.

In North Korea—just when we have succeeded in getting the North Koreans to come to the table and enter into an agreement to stop the development of atomic weapons and try to get some responsible behavior—no need for the negotiations, we are now going to engage in commerce.

With Syria—its harboring of terrorism against Israel; its occupation in Lebanon—we will now engage in commerce.

And Iraq—at the moment, sanctions against Iraq are multinational.

But every Member of this Senate knows that the day is fast approaching when America could stand alone. Inspectors would be barred, our military would be barred from the skies. And the United States would have to have its own sanctions. And this amendment—even though Saddam Hussein has been identified again as a terrorist regime and America could be alone in its sanctions —here we would engage in commerce.

It has been contended to the Senate that we do this as a decent people because the real victims here are the poor of all these nations. That indeed is not fair, Mr. President, to this country or this Government, because, indeed, while we maintain sanctions on each of these terrorist States, for good and sound reasons that I have outlined, this Government has gone to every length to protect the poor of the poor.

In North Korea, the shipment of 800,000 tons of food, only on the condition that we know who is getting the food and that it is not going to the North Korean military. But it is not fair that the poor of the poor of North Korea are victimized because of our embargo—800,000 tons of food distributed to the poor.

And the Sudan, one of the poorest nations in the world—Senator DODD is right, the poor of the poor should not be victimized because that Government harbors terrorists and assassinates foreign leaders. And so we have approved $76 million in food assistance, only on the condition that we know that it gets to the poor of the poor.

And in Iraq, $2.8 billion worth of food and medicine, only on the condition that it not go to Saddam Hussein, that it not go to the elite, that it not support the Iraqi military—just that it go to the poor of the poor under U.N. inspections.

The amendment of the Senator from Connecticut, if indeed we at one point predictably stand alone against Saddam Hussein, our food sales will not just go to the poor of the poor, they will go to the entire Iraqi establishment.

As the author of the modern Cuban embargo, I make no apologies in this case, either. The United States provides more food and medicine per capita to Cuba than any nation in the world provides to any other nation of the world, bar none. No Member of this Senate has any apologies to make for American support of the poor of the poor in Cuba. In the last 12 months alone, there were 123 licenses to ship food and medicine to Cuba, worth $2.5 billion. I challenge any Member of the Senate to find any country more generous than the United States of America, giving to any adversary, more generously than we have to the people of Cuba.

We have a license program and we have a license program for a reason, rather than unrestricted sales of food and medicine, as the Senator from Connecticut suggests. The reason is because we found when those food and medicines are not licensed, Mr. Castro has resold them or used them to support his own military establishment, like Saddam Hussein. There is no denial of food and medicine. We simply are requiring that it be done properly.

Senator HELMS and I, with other colleagues, have joined in this Congress in an alternative to Senator DODD's proposal. Humanitarian shipments go to Cuba through the church and are licensed, on an unrestricted basis—simply that we know who is distributing them, the church, humanitarian organizations, not the Communist Party

and not Fidel Castro. It is a question of control.

It is argued, finally, that these sanctions, this restriction on commerce with terrorist regimes should be lifted because they don't succeed. On the contrary. The record is otherwise. Sanctions on South Africa to end apartheid, to the Jackson-Vanik amendment to allow Soviet Jews to leave Russia, to restrictions on Vietnam until they cooperated with POWs, the record is that, while imprecise, while offering no guarantees, economic sanctions, including the leverage on our greatest, most successful export products, foods and pharmaceutical products, can and do yield results. No one should assume, no one should believe that they work in every case or work quickly. But the historic record is that they are an alternative to military action.

Where would Ronald Reagan—or George Bush—have been when Pan Am 103 was shot down, if he did not have the opportunity to have economic sanctions and this leverage? There would be nothing available but military action. Where would we have been after the shoot down of an American aircraft 2 years ago in the Straits over Cuba, if the President could not have tightened economic sanctions?

No, they are not perfect, but they give the President added authority and weight to change policy. Every one of the countries most impacted by Senator DODD's amendment in the course of the last year and every year for the last 5 years has been identified by the State Department as a source of terrorism against the international community, every country I have mentioned on this floor tonight.

Is it really the intention of this Senate, after all these years of claiming that we had the will to fight this war on terrorism, we were as resolved as Qadhafi and Saddam Hussein and Fidel Castro, after all these years, now we are to say to them we have lost our will, we changed our minds? If that is the intention of the Senate, at least have the intellectual honesty to come to the floor, repeal the terrorism list, repeal sanctions entirely, because that is the effect of this statement. We will identify you as a terrorist, we will claim you are killing our citizens, harboring assassins, but we are glad to trade with you.

I recognize that sometimes it is necessary, unfortunately, that the United States stand alone. Only Britain and the United States are still remembering the victims of Lockerbie; only the United States, the people who are jailed in Cuba. Only the United States may have the resolve to see it through with Saddam Hussein. That is too bad. But if the end result is the United States has to stand alone against these terrorist regimes, then we never stood in better company. We can be proud that we alone remember the victims and we alone are going to impose a price for those who violate international law and victimize people.

But let it not be said, however, the Members may vote on this amendment, that any of us were a party to the poorest of the poor, and the hungry being victimized by our foreign policy, because those simply, my colleagues, are not the facts—from the tons of wheat that goes to North Korea to the pharmaceutical products licensed and distributed in Cuba.

My colleagues, consider carefully this amendment. This is not a question of the Clinton administration. It is policies and embargoes that go back as far as John F. Kennedy. It is not just a question of a couple of governments. It is virtually every nation on the terrorist list. It is not simply a question of taking the stand because of an isolated incident, like Pan Am 103 or a disagreement with Saddam Hussein. They are issues as serious as preventing another Persian Gulf war by using our leverage and continuing leverage on North Korea to cooperate on a missile regime and on atomic weapons.

This is, indeed, a serious matter. I hope if an amendment is offered to table Senator DODD's amendment, as I am informed may happen, Democrat and Republicans, on a bipartisan basis, will not only vote to table the amendment by the Senator from Connecticut, but it will do so in an expression of true and strong resolve.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. I thank you, Mr. President.

I am very pleased to join my colleague, Senator DODD as a coauthor of this legislation, along with Senator HAGEL and Senator BIDEN, and many other Senators. As has been stated, it does provide a broad exclusion for all food and medical products in regard to unilateral sanctions.

Now, I want to emphasize that right away—unilateral sanctions, not multilateral sanctions. You would hope that if you are going to put any sanction on a country that works, that is effective, or the pragmatic result results in some kind of policy change that is in the best interest of our national security, that would have the support of your allies. It is only when you have unilateral sanctions that this bill applies.

Mr. DODD. Will the Senator yield?

Mr. ROBERTS. Delighted to yield.

Mr. DODD. Mr. President, I want to add, it is unilateral economic sanctions, so it is even more narrow. This does not apply to sanctions across the board but unilateral economic sanctions. If on a national security basis some of the advisors and the President want to impose the sanction, he would be allowed to. Only when we impose unilateral economic sanctions is this tool taken off the table.

I thank my colleague for yielding.

Mr. ROBERTS. I thank the Senator and the author of the bill for that explanation. I hope that would take away some of the concern as expressed by the distinguished Senator from New Jersey.

This amendment recognizes that until the United States is literally at war or we have a national security problem with another country—and certainly terrorism fits into that category—there is no positive benefit in denying the most meager necessities of life, food and medicine, to the people of this world. Certainly it doesn't benefit the sick and hungry, Mr. President.

In regard to the people of Africa and Asia, and blocking the sale of food and medicine, it does severely damage, I think, America's image in the eyes of people across the globe. As a matter of fact, as a member of the Transatlantic Partnership, which is an organization dedicated to better understanding between the peoples and the parliamentarians of Europe and the United States, this subject comes up again and again and again. Why are you basically hurting the people who are most disadvantaged in any kind of a unilateral sanction that makes no sense in terms of any policy change?

So I think the world must know that the U.S. Government and the American people care about what goes on outside our borders, and the world must also know that the United States stands ready to provide food and medicine—on commercial terms—to anybody, any time, any place, unless there is national security involved, and unless we have a situation like the Senator from New Jersey pointed out with regard to terrorist activities or exporting terrorism. This amendment represents one very critical component of what is becoming a sweeping debate on the use of acting unilaterally—and I emphasize unilateral—all by ourselves, in U.S. foreign policy. Unilateral sanctions serve no purpose other than to hurt the U.S. businesses and workers and to diminish U.S. strength and prestige.

I firmly believe that the Congress and the administration must continue to work together on a broad-based effort to reassess all instances of unilateral sanctions. This amendment would represent an excellent step in the right direction.

Mr. President, with a few add-ons, those are my prepared remarks. I want to respond to the distinguished Senator from New Jersey. The Senator from New Jersey indicated that for the last three decades the Presidents of the United States have reaffirmed in each and every case unilateral sanctions, including the use of food and medicine. To a certain degree, I think that is true, because it was in 1980, when President Carter was President, that this issue really hit a flash point. President Carter, thinking of the terrible tragedy when the former Soviet Union invaded Afghanistan, decided we would cancel out of the Olympics. He also decided he would put on a grain embargo. I know that the President intended on sending a strong message to the former Soviet Union. I know President Carter hoped that the perception in the world community would be such that somehow the Russians would change their policy. And they did not.

I will tell you who was hurt in that particular instance by the Carter grain embargo—and I am not trying to perjure it; I am saying this happened in terms of a pragmatic effect. It was like shattered glass and it headed us toward the farm crisis of the 1980s, in some ways, and it took us years to get back contract sanctity to the point that our exports made anything. We had an excellent Olympics; I think it was in L.A. Americans won a great many battles and medals. But I can tell you that, in terms of perception, it didn't do a thing. No Russian troop ever left Afghanistan.

Now, that was a terrible tragedy. Again, we were using unilateral sanctions, and we were using the farmer and rancher with regard to that price. I submit to you that if you want to put sanctions on people, all American taxpayers should pay for it, not just farmers and ranchers. That is called an embargo. I can tell you that you can spell embargo S-A-N-C-T-I-O-N-S. No country that has sanctions put on them unilaterally, regardless of what progress we are making in terms of whatever objective we are trying to achieve, will buy from us as long as that is available from other countries. That is precisely what is happening regarding the countries where we have the unilateral sanctions.

Look at Pakistan. Thank goodness, we acted on this 98–0 this week in the Senate. They have a wheat tender. Guess who was standing in line. There was the French. They were going to buy the wheat from the French. They may anyway. We acted wisely and we said, ''This isn't going to work. Why are we hurting the American farmer or rancher or, for that matter, anybody in the business community when the sanctions don't work?'' Yes, it has been 30 years of a broad policy, trying to look at sanctions to see if they are going to work. But the fact is that was started with the Carter embargo. I must say that it took President Reagan 2 years to get around to getting contract sanctity. In the meantime, we suffered great harm in terms of farm country.

So I say to my distinguished friend from New Jersey, you are darn right, it has been a 30-year policy and, for the most part, it hasn't worked. Now, in terms of terrorism, I personally agree. Libya? I would hope that we would have multilateral sanctions. I would hope the world community would understand that Mr. Qadhafi and Libya have, in the past, exported terrorism. I might add that one of the reasons it has been so successful in terms of keeping him under wraps is that the administration at the time sent a strong message to Mr. Qadhafi. He woke up one morning to find that part of the place where he spent most of his time to watch television and do other matters was no longer there. All of a sudden, he got the message. He probably scratched his head and said, ''Had I been sitting there, it might have been a little different.'' And then he calmed down right away. Have we gotten to the bottom of all of the tragedies that he has inspired? No. Are we ready to sell him product, i.e., Kansas wheat, or any other product? No, because his behavior is such that we feel it is in our national security interest not to do that.

I agree with the Senator from New Jersey with regard to food products. They are fungible. What happens is, if you are able to arrange a sale, or for a humanitarian purpose you provide food, obviously, they have the ability in a totalitarian state to simply use that for other purposes, and they can continue whatever practices they may have. But in the end result, the people who are at the lowest levels are the people who get hurt—the women, children, all of the people mentioned by Senator DODD.

So while it is fungible, I think, with regard to agriculture and medicine, the basic question you have to figure out here is, are we using agriculture as a tool for peace? Or are we using agriculture as a foreign policy weapon? I can tell you that, for too many years now, we have used agriculture as a foreign policy weapon—to the detriment of farmers and ranchers, for no apparent reason, with no pragmatic result, with the nations that we are now talking about.

I might add that there are some moderating forces that are now at work in Iran. And I might add that when I went to Saudi Arabia with Chairman STEVENS and six other Senators, we asked the Saudis—we made indirect inquiries, and we were working with the Secretary of State to make further indirect inquiries: Could we help the forces of moderation in Iran by offering agriculture as a tool for peace? Would that work? Could they increase their diet, basic protein diet, so they are better off, and become, hopefully, more dependent on the United States with regard to their basic needs and their food supplies?

Think what could happen if we would use agriculture as a tool for peace, as opposed to a weapon, on a selective basis. The Senator from New Jersey mentioned Iraq and Saddam Hussein. I think it is disingenuous to say that the people who support this amendment somehow support Saddam Hussein. We are now allowing Iraq and Saddam Hussein to export as much oil as they did prior to the gulf war. They, in turn, used the cash that we allowed them to expend regarding oil sales to buy wheat in regard to the French. Hello. Why does that make any sense? If we are going to sanction Iraq under a banner of, well, everything except something that is humanitarian, and we say you can sell this oil to achieve humanitarian needs, food and medicine, i.e., food products, agriculture products, and they buy from our competitors, that doesn't make any sense. If you have sanctions, it seems to me you ought to make them across the board. We didn't do that. We backed off of that. There is a whole history as to where we are with Iraq and the United Nations and plans by the administration to have a limited armed conflict and where we are with that. I am not going to second guess that. But let's don't say that since we support this amendment, we support Saddam Hussein.

North Korea—if there ever was a totalitarian regime that is rather bizarre in its nature, it is North Korea. I have been in North Korea. I went to Pyongyang to meet with the North Koreans, along with Senator STEVENS, Senator INOUYE, and others. We met with representatives of the North Korean Government. We were trying to arrange a grain sale by a third-party country so they could somehow get an experience of trading with other nations—moderate, a little. That is a tough chore, I will tell you—what is happening in North Korea. We saw children who are 16 and 17 whose growth and whose stature really represents somebody who is 11 or 12. We saw young people marching out into the fields to plant some kind of crops and to hunt for grubs. We saw no animals whatsoever, not even a pigeon, not a dog, not a cow, not any kind of a farm animal. Bark on the trees was taken off up to that height.

Do you know who is helping the North Koreans? It is the World Food group led by Catherine Bertini.

So the United States, what we do under a humanitarian banner is we say, All right. We will contribute X amount of dollars. We will give it to the World Food organization. They, in turn, will buy grain on the open market. They will give the grain, then, to the North Koreans. Is there any real guarantee that they are going to use it for that? No. But under the circumstances the situation was so dire that I think that happened, to some degree.

So here we are expending money to the World Food group who, in turn, uses it to provide the humanitarian aid. I am not in a position to say that we are going to say to North Korea that we are going to enter into any kind of trade negotiations. That is a very oppressive regime. It is probably the most Stalinist, if I can use that word, I guess, regime in the entire country. And Kim Chong-il, ''The Dear Leader,'' has no illusions otherwise. Now, however, we have the South Koreans making overtures that if the North Koreans will finally behave themselves, there might be a glimmer of change in North Korea. Could it well be that we could use agriculture once again as a tool for peace? I do not know. But the bottom line is that the President under this bill —under the Dodd-Roberts bill, under the Dodd-Roberts-Hagel-Biden bill—has the authority to come in and say, if this is in our national security—if, in fact, the export of terrorism is such that this is really something that is not in our national interest, he can do so.

Why on Earth on unilateral sanctions we continue to shoot ourselves in the foot and make agriculture and farmers and ranchers pay for this when the fact is it is not working is beyond me.

Again, I say this is not an effort by Senators in some kind of disingenuous fashion to encourage terrorism, or to encourage rogue states or pariah states. Nobody wants to do that. But when you have an opportunity to use agriculture again as a tool for peace, I think we ought to do it.

I appreciate this opportunity to take this time. I thank my colleagues for their indulgence.

I yield the floor.

Mr. DURBIN. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Thank you, Mr. President. Mr. President, I wonder if the Senator from Connecticut would yield for a question?

Mr. DODD. Mr. President, I would be happy to yield.

Mr. DURBIN. I say to the Senator from Connecticut, it appears the operative language in the amendment—I hope this is the most current version—says, ''Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.''

That is really the most operative paragraph of this amendment, is it not?

Mr. DODD. Mr. President, in response to my colleague's question, that is correct. That is the language of the bill.

Mr. DURBIN. The reason I raise that question is that during the course of the debate there have been some questions raised about whether we are restricting the power of the United States to deal with questions of terrorism and national security.

I want to ask the lead sponsor of this amendment to explain, if he will, what he means in using the term ''unilateral economic sanctions.'' Do we, in fact, preclude this President, or any future President, if we adopt this amendment, from imposing sanctions for purposes of national security or national defense?

Mr. DODD. Absolutely not, Mr. President; none whatsoever. To characterize the amendment as such is completely misleading, or as not to have read it at all. It only applies to unilateral economic sanctions. For instance, this amendment does nothing with regard to the multilateral sanctions on Iraq. Those are not unilateral sanctions. Those are multilateral sanctions that apply to that country. So it only applies there. If the President, this President, or any future President, wants to apply sanctions on some basis other than economic, they may utilize this tool. We are merely removing it from the unilateral economic sanctions.

Mr. DURBIN. If I could ask the Senator to give me a little more information, should this President, or any future President, decide that another nation is guilty of terrorism against the citizens of the United States, and he seeks to apply sanctions against that country, would that President be precluded from including in those sanctions a prohibition against shipping food and medicine?

Mr. DODD. None whatsoever, I say to my colleague.

Mr. DURBIN. I thank the Senator from Connecticut for making that point clear, because I would like to join him and the Senator from Kansas, as he says, in making a very clear record hear that none of us intend to in any way restrict the power of the President—this one, or any future President—to fight terrorism, or to stand firmly in opposition to nuclear proliferation or anything that might in any way assault the integrity of the United States or the integrity of any American citizen.

I rise in support of this amendment that has been offered by Senator DODD, Senator ROBERTS, Senator HAGEL, and Senator BIDEN in a bipartisan fashion.

The seat that I usually occupy over here is a desk once occupied by Senator Hubert Humphrey of Minnesota. Senator Humphrey of Minnesota was from an agricultural State, and said in the darkest days of the cold war when the United States was engaged in massive troop commitments in Europe to protect against the possible encroachment of communism, when we were fixated in our foreign policy of the possibility of Soviet expansionism, said that we should be willing to trade anything they can't shoot back at us, and on that basis promoted the idea of agricultural trade.

You may remember visits by Nikita Khrushchev to the United States to farms in Iowa during the midst of the cold war and the suggestions that we should still engage in trade involving food with a nation that was, in fact, our mortal enemy, the U.S.S.R. A lot of us in the Farm Belt felt that this was a reasonable means to provide some exchange not only of goods but of ideas. We felt that it also said to the average Soviet citizen that the United States of America represented people who not only had a bounty to share but were willing to do it despite our clear political differences.

Senator Humphrey inspired a policy which was followed by Democrats and Republicans for years. Soviet grain sales was a major source of discussion, even during the height of the cold war. I guess when President Reagan announced that the Soviet Union was the ''Evil Empire,'' we were still dealing in grain. We believed we could deal in food and still have a serious difference in terms of political philosophy.

Does it make a difference? Are we kidding ourselves to believe that if American food products should be sent to another country it has any impact? I think it does.

Eight years ago I went to India. Outside of Calcutta in a dusty little village I visited a site where some of America's agricultural products were being sent. It was a little facility where children—tiny little emaciated children—were being brought in for what, in effect, was their best meal of the day. I looked, and was somewhat amused to find that the bag of grain came from Peoria, IL. Imagine my pride that what we had grown in Peoria—the corn, soybeans, and wheat that was brought in—was a food product being fed in a small village outside Calcutta. What we provided these children looked like some mass of dough. It was just these basic grains mixed with water and a little sugar. They ate it like they were on a trip to Baskin-Robbins. It was the biggest treat of their lives. But before they ate the food from the United States, an interesting thing occurred. The person who was supervising the feeding of these small children in this nutrition center asked the children to pause for a moment and bow their heads and say a Hindu prayer of thanks to the United States for sending this grain.

Does it make a difference? Would it make a difference in Libya, or in North Korea, for children and their parents to know that the people of the United States were involved in either humanitarian aid or the sale of food? I think it does. I think it says something about us as a Nation.

Look at the situation in North Korea. The Senator from Kansas has been there. I have not. But it had to be absolutely frightening to see that sort of deprivation and famine in that struggle to survive.

The Senator from Connecticut is telling us in this amendment that the United States should establish standards when we push for our political policies which define us to the world. I believe, as he does, that the export of food and medicine should be above the political agenda. We are talking about the survival of children, of pregnant women, and of their families. As much as we may abhor that form of government that rules over those families, we should never be in a position where the United States has denied its bounty, its excess, to those who are in need.

As I have traveled, I have noticed the need for medicine in some countries around the world. Even those that have been liberated from the Soviet Union—now new democracies—really have medical care which is at the lowest level. Many times the basic medicines which we have in such great supply in the United States could make a world of difference in terms of disease like cholera, diphtheria, and other problems that children suffer from around the world. And so I think what the amendment seeks to do is to say that we will not deny to the children, in a country led by some dictator whom we might

disagree with, the basic protection of medicine.

This amendment really speaks to our values. This amendment draws a line in defining America to the world. This amendment says that we will not show our hatred at the expense of innocent children. This amendment says that when we apply unilateral economic sanctions, we have enough muscle in so many other areas to make our political point that we need not take it out on the most helpless in countries around the world.

I am happy to stand in support of this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I thank the Chair.

I rise to strongly oppose this amendment, and I believe that the amendment has been mischaracterized, or at least the most reasonable reading of this amendment is different from the interpretation it has been given. If in fact it is the intention to have this amendment not apply to applications for national security purposes or purposes of punishing those who have engaged in terrorist activities or other events which were directed against the citizens or the society of the United States of America, then the amendment should be clarified, because the plain reading of the amendment on page 1 beginning at line 14 states:

> Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

Now, the sanctions are the remedy for the action that has led us to be in a state of opposition to that foreign government. The cause of that might be that they were encouraging terrorism or they were engaged in activities that were considered to be a threat to our national security.

The means of achieving that retaliation against a foreign government is a sanction, in this case an economic sanction. The economic sanction is not the reason that we are imposing; it is the means of the imposition. And so this language does not speak to the causation of why we are imposing the sanction; it just says that whatever the cause, whether it is terrorism, national security, or whatever reason, the President is prohibited from having as one of his arrows in the quiver of remedies an economic sanction that includes all of those items which are listed in this amendment.

Mr. DODD. Will my good friend and colleague yield on that point?

Mr. GRAHAM. I will yield for a question, yes.

Mr. DODD. It is a question.

Mr. President, the authors and I could not be more clear. This is unilateral economic sanctions, and clearly in the case of some countries where we have applied that, food and medicine come off. Now, if the President wants to apply sanctions on some basis other than economic sanctions, he has all the freedom to do so.

A wonderful example of that we have just debated over the last 2 weeks. Here India and Pakistan detonate two nuclear weapons. I do not know what you could argue may be more threatening to the long-term security of the United States than two nations detonating nuclear weapons. We voted 98 to nothing to take off food and medicine as a part of the sanctions policy there.

All I and my colleagues are saying here in this case is that if the President wants to impose sanctions on the basis of something other than unilateral economic sanctions, he can do that without any restriction of this amendment. But when he only goes to impose, or we go to impose, Members of Congress—and we are far more guilty of this, by the way. Let's face it, we are talking about ourselves to some degree, and we all know what goes on here. We have a proliferation of these amendments. We all draft and issue the press releases to satisfy constituencies in this country. That is what happens. And we apply unilateral economic sanctions and deny people food and medicine, and we think that ought to stop, but not if you want to impose sanctions on bases other than economic and unilateral sanctions.

Mr. GRAHAM. I don't know what the question was.

Mr. DODD. That was a question.

Mr. GRAHAM. But clearly, the plain interpretation of the sentence that I just read is that the remedy against whatever the cause might be, whether it is nuclear proliferation, support of terrorists, attack against our national security, harboring drug traffickers, or whatever the cause may be, we are just saying that, notwithstanding any other provision of law, we have denied from the President of the United States as one of the remedies against that causation the use of unilateral economic sanctions when those sanctions include food, agricultural products, medicines, and medical equipment.

If that is not the intention, then I think the sponsors of this amendment should offer a modification—and I believe that is now within their power to do so—to clearly state it is not intended that the use of food, agricultural products, medicines, and medical equipment not be a restriction on the President's ability to use those products where the causation is terrorism, causation is an attack against national security, or some other cause. And then we could have a reasoned debate on just what would be the reach of this amendment.

I might also say, I am concerned about the language of this amendment in that we have been focusing on food—wheat, corn, other products of human nutrition. But the language goes on to say ''other agricultural products (including fertilizer).''

Now, with that parenthetical, it seems to me that we are not to sanction not only food but other agricultural products, including those products which are used by that country in the production of its own indigenous agricultural food and fiber. That obviously would be the only reason to specifically exempt fertilizer. What about seed? Would that be an agricultural product against which the President could not impose a sanction? Would tractors, combines, other of the mechanics and equipment of agricultural production be similarly excluded from the President's range of sanctions that could be used?

I believe the very fact that those questions are raised goes to one of the reasons that it is imprudent, at 7:50 p.m. on this Wednesday evening, for us to be considering this amendment. This amendment has been introduced as freestanding legislation. I assume it is before some committee of the Senate. The normal manner in which we would consider an issue of this importance would be to have a hearing, to have the language subjected to close scrutiny, not just the kind of scrutiny that can be provided here on the Senate floor by those of us who have an interest in and some knowledge of this matter, and a genuine public debate. After the idea has withstood that kind of inquiry, then it is mature to come to the Senate for consideration, for adoption, adoption that would reverse three to four decades of powers which the President of the United States has been granted by this Congress in order to achieve important U.S. national objectives.

It is also ironic that we are doing this at this time, when we have recently established a separate task force whose purpose will be to review our current sanctions policy and to bring to us their reasoned judgments as to what we should do. It seems to me that prudence would indicate that the appropriate thing to do would be to at least wait until that group that we have just established has an opportunity to complete its work and give us the benefit of its recommendation, as to what our policy should be in this area.

Mr. ROBERTS. Will the Senator yield for a question?

Mr. GRAHAM. I yield, yes.

Mr. ROBERTS. The Senator has indicated we are rushing to judgment here. I would only point out that in 30 years every agricultural group, every farm group, every commodity organization, everybody connected with every hunger organization has been pointing out the insensitivity and the counterproductivity of unilateral sanctions with food and medicine.

I have some figures here from 1995. I don't have them yet for 1996, but they are very similar. U.S. sanctions cost an estimated $15 to $20 billion of lost exports. One way or other, I guess my question to the Senator would be: Would you support a sanction indemnity payments for those industries or

those businesses who have suffered the losses, through no fault of their own, more especially agriculture?

I don't know how we fund—I know how we fund it. We do it. We could declare it an emergency. As a matter of fact, that is one of the proposals that was being talked about, in terms of the package put together by the folks across the aisle, and some of us over here, on down the road.

We can't go on like this. I hope, after 30 years of this debate, I would hope the wheat growers, the corn growers, the barley growers, the cattlemen, the pork producers—the Senator's State of Florida is a tremendous State in regard to agriculture output. I hope these farm groups have met with the Senator.

Would the Senator be in a position to help us support some kind of sanction indemnity payment, given the situation?

I am not even talking about the humanitarian aspects of this. But we have sanctions now on 75 percent of the world's population. We just can't go on like this. So, consequently, I think this is a step in the right direction. Rather than do it piecemeal, each country by country—as the Senator from Connecticut so aptly pointed out, 98 to 0, and we just had a UC bill pass here in regards to India and Pakistan because they were counterproductive.

I think the Senator is obviously concerned about an island not too far from his State and I am concerned about that.

I would just pose the question. Would he support sanction indemnity payments?

Mr. GRAHAM. I say to the Senator, that is one of many of the kinds of questions that I would assume this bipartisan commission, which is just commencing its review of our current sanctions policy, will be looking at.

I am not prepared tonight, nor do I feel myself competent tonight, to respond to the Senator's question as to whether we should have an addendum to our policy that relates to indemnification. But I am certain tonight that we also do not know enough to say that we ought to change 40 years of U.S. policy by adopting this amendment which has not been subjected, to my knowledge, to the first hour of serious Senate hearing consideration.

Mr. ROBERTS. Will the Senator yield for one more question?

Mr. GRAHAM. One more question.

Mr. ROBERTS. I appreciate the indulgence of my friend and colleague. I just want to point out that after every sanction, after every embargo, after every hindrance to every export program that we have had, we have had hearing after hearing after hearing in the House Agriculture Committee. I was privileged to be the chairman of that committee for 2 years. I have attended more hearings, more discussions, more farm meetings, been to more farm organization resolution meetings in State after State, to do something about a clear, comprehensive export policy that wards off these very counterproductive embargoes—and is simply misdirected. We have ample, ample evidence that this does not work.

I am on the sanctions task force. I went to the first meeting. We have taken some rifleshot reforms here that are sorely needed right now. It doesn't take away from the sanctions task force and their overall approach, to see if Senator LUGAR's bill is appropriate, or Senator DODD's bill, Senator BIDEN, Senator HAGEL, myself—to look back on sanctions. That is the appropriate agenda in regard to the task force. But I can assure the Senator, in terms of voluminous hearings ad nauseum, because of the hurt it has caused in farm country that we have had ample hearings.

I didn't ask the Senator a question, except to say I truly appreciate him yielding. I will cease and desist at this point.

Mr. GRAHAM. I am sorry that we didn't have a question, but the Senator has moved me to point 2 of my remarks, which is the undercurrent of much of this debate, where we focus on the poor, particularly the hungry children. Everyone is moved by those emotions. There is a natural humanitarian concern about people, particularly innocent people, being denied access to the basic necessities of life.

What offends me is the assumption that it is the U.S. embargo policy, whether it is against Iraq, Iran, North Korea, Cuba, or whatever rogue state, that is the cause of that impoverishment. This is a return to that classic ''Let's blame America first'' argument. Let's find out what is wrong with the world and then let's blame the United States of America for being responsible.

The person who is responsible for the economic conditions in Cuba is not sitting in this room and is not residing at 1600 Pennsylvania Avenue. The person who is responsible for Cuba's impoverishment is named Fidel Castro and he lives in Havana. Whether we do or do not adopt this amendment tonight, he still is going to be living in Havana and he still is going to be following discredited economic policies. He is still going to be following a personal attitude of disrespect to his own people. He still is going to be following authoritarian dictates—because he wants to stay in power.

So, Mr. President, the idea that we have to blame America first and find ourselves to be at fault for the poverty and the misery of the poor, particularly the young and the halt and the elderly, in these rogue nations, I reject and I find to be offensive personally, I find to be offensive to the values of the United States of America.

Mr. President, let me move to the third point, if I could, and that is I do want to speak specifically.

Mr. ROBERTS. Mr. President, I ask for one short question. I know I am batting, now, for the third time. If the Senator would indulge me?

Mr. GRAHAM. It is going to be a question at the end of this statement?

Mr. ROBERTS. I can promise the Senator there will be a question.

Mr. GRAHAM. I look forward to the question.

Mr. ROBERTS. It is a question I know the Senator will respond to in an affirmative way because it makes so much sense.

What would happen if we added a new section to the second-degree amendment that is pending at the desk, stating something like this:

''The President may retain or impose sanctions covered by this bill, sections (B) and (C), if he determines that retaining or imposing such sanctions would further U.S. national security interests.''

I had thought about listing some of the concerns that the Senator from New Jersey and the Senator from Florida have indicated, but I thought better of that, and put a blanket situation here—U.S. national security interests. Obviously, the export of terrorism would be included. Obviously, I think, some of the concerns that have been raised by the Senator from Florida would be included.

Would the Senator be amenable to considering something like that?

Mr. GRAHAM. I think the Senator's question makes the first point I made, and that is the inappropriateness of trying to write a piece of legislation that is as nuanced and delicate as this on the floor. I pointed out what I thought was clearly an interpretation that said that whatever the cause, we were going to be denying as a remedy the use of unilateral economic sanctions which included this prescribed list of food, agricultural products, medicine and medical equipment. Now the Senator is suggesting that he doesn't really want to go as far as this language and would like to say, at least in the area of national security, that we don't have to deal with our enemies.

I think, personally, that is too narrow a construction. I think there are a variety of types of activities that the President of the United States, with the authorization of Congress, ought to be able to sanction in the most severe possible way, including denying them the products that are listed in this legislation.

I don't think we ought to try to write that on the Senate floor at now 8 o'clock at night. This is exactly the type of considered judgment that we would say in this great deliberative body ought to be deliberated in an appropriate committee with appropriate public input.

Mr. ROBERTS. I take it the Senator's answer is no.

Mr. GRAHAM. I think my answer would be no, and my reason would be point 1 of my remarks. I am now about to move to point 3 of my remarks.

Mr. ROBERTS. Then this gift horse will ride back into the sunset and withdraw the offer.

Mr. GRAHAM. I would be very happy if this amendment would ride into the sunset as long as it didn't return.

Point 3 does relate specifically to Cuba which is an object case of the point 2, which is that the reason that Cuba is in its desperate economic circumstances is not to be blamed on the United States and our policy, it is to be blamed on Fidel Castro. The reason it didn't happen 20 or 30 years earlier is because as long as there was a Soviet Union, the Soviet Union was subsidizing Cuba to the extent of 20 to 30 percent of its gross domestic product. When the Soviet Union collapsed in the late eighties, its ability to continue to provide that kind of subsidy to Cuba also collapsed and all of the underlying inadequacies of a statist, Communist economic policy surfaced.

For us to say that we are responsible for the impoverishment of the Cuban people because we have denied them access to food, agricultural products, medicine and medical equipment, I think, is, frankly, absurd and an affront to the people of the United States of America. It is Fidel Castro who has placed his people in that condition, not the people of the United States.

Maybe the most dramatic example of that, just a few years ago when our colleague and visionary, the Senator from New Jersey, was a Member of the House of Representatives, he sponsored legislation which established the modern U.S. embargo policy relative to Cuba. I am pleased to say that I was honored to be the Senate sponsor of that legislation.

In that legislation, medicine was excluded from the commercial sanction against Cuba. There is a license policy required in order for a Cuban entity to purchase medicines from the United States, but that is available.

Do you know what has happened in the intervening now some 5 years since that access to commercial purchases of U.S. medicines by Cuba has been in effect? What has happened is zero has happened, because Cuba has not availed itself of this opportunity it had. Why hasn't it availed itself? I suggest primarily because Fidel Castro has some higher priorities in terms of his use of Cuban resources, like continuing to fund one of the most oppressive state police in the world, continuing to try to maintain what is left of a military capability. Those have all had higher priorities and, therefore, there were little resources left to use the special access through license policy for U.S. medicines.

Mr. TORRICELLI. Will the Senator from Florida yield?

Mr. GRAHAM. Yes.

Mr. TORRICELLI. The Senator from Florida makes a valuable point that somehow the responsibility for the economic ailments of failing Marxist governments incredibly is being placed on the U.S. Senate. The reason that there is hunger in Cuba and North Korea is because their systems have failed.

I recognize that in the great farm belts of America, there is tremendous frustration and suffering because of the farm crisis. But it is not frank, it is not fair to the American farmer to suggest that if the United States abandons its human rights policies and its economic embargoes on these terrorist governments, that is the salvation for the American farmer.

As my friend and colleague from Florida stated, the per capita income of Cuba is $300. Cuba has 7 days' worth of foreign exchange. Just how much wheat or corn does the Senator from Kansas believe Fidel Castro will be buying? North Korea has no foreign exchange at all. Nothing. The Sudan has a per capita income of $100 per year. These are not countries that are markets for American farm products.

I share the concern of our colleagues from the Midwest of the plight of the American farmer, but believing that we can compromise our policies on terrorism or for human rights by offering sales to nations that have no resources is a false promise and, what is more, simply contradicts the facts.

The Senator from Florida has said it right. There is blame for these failing economies and the fact the poor are suffering, but it is not here. The Senator from Florida was my cosponsor in offering in the Senate the Cuban Democracy Act which is the foundation for the current embargo against Cuba. He should be proud of everything that he did because, indeed, as is now the case with the Sudan and with North Korea and with Iraq and with Cuba, we have assured that the poor, on a humanitarian basis, will get food even though they can't buy it.

That policy now will be undermined by offering to sell these products to people who can't buy it. I think the Senator from Florida has made the case persuasively. Thank you for yielding.

Mr. GRAHAM. Thank you. I appreciate those kind remarks, and no one is more dedicated to the freedom of the people of Cuba than is our friend and colleague from New Jersey. He has demonstrated that dedication time and time again.

As he said in his earlier remarks, not only are we not the source of the blame of the impoverishment of the people of Cuba, in fact, the United States, both governmentally but primarily through the generosity of its people, has provided through donations more humanitarian assistance to Cuba in the last 4 years than the foreign aid of all other governments in the world combined. Now to say blame America first, make us the object and the source of Cuba's poverty is an affront.

My final point is that by adopting this policy, we will also be missing the opportunity to adopt a policy that has the potential of making a significant difference in terms of the U.S. national interest, but more importantly the human interest of the people living in Cuba.

What is that policy? It is also one to which the Senator from New Jersey alluded in his opening remarks, and that is a policy that says: Let us increase the opportunities for the people of the United States with modest Government assistance to join that philanthropy to provide humanitarian needs to the people of Cuba. But instead of being done on a commercial basis, which means that Fidel Castro will be in control of what is purchased and how it is distributed and how it is used to either reward or punish activities which the state considers to be beneficial, let us use the nongovernmental organizations, such as the religious organizations in Cuba, to be the means of distributing the humanitarian products. Let us use that as a means of assuring that this humanitarian effort will not be perverted for political goals.

Let us use it as a means of increasing the strength of those nongovernmental organizations, because they will play a critical role today in the life of the people of Cuba, attempting to lift some of the burden which Fidel Castro has imposed upon those people. Those same nongovernmental organizations will play a critical role during the period of transition in Cuba.

One of the key questions for the United States is not whether there will be change in Cuba. Of course there will be change. No one can tell you exactly the hour and the date of that change, but that it will come is assured. What we do not know is whether that change will be more like Czechoslovakia, a ''velvet revolution,'' relatively without bloodshed or conflict, or whether it will be more like the nation whose head of state spoke to us earlier today, Romania, where thousands of people were injured or killed during the course of the transition from an authoritarian to a democratic government.

I believe the nongovernmental organizations in Cuba will play a critical role in facilitating a peaceful transition and that by using them rather than, as this amendment would propose to do, the Government of Cuba, as the instrument for the distribution of humanitarian assistance, we have the opportunity to strengthen and elevate those nongovernmental organizations.

Mr. DODD. Will my colleague yield on that point for a question?

Mr. GRAHAM. For a question.

Mr. DODD. I think I have a question at the end of this one.

Mr. President, I know my colleague from Florida is very familiar with Cardinal Ortega, who is the leading Catholic figure on the island of Cuba. I know he knows who he is, and is aware of the recent visit by His Holiness, Pope John Paul II, when he was in Cuba in January. Obviously, my colleague is well aware, as well, of the position of the U.S. Catholic Conference with regard to lifting the sanctions on food and medicine.

I say and raise the question, certainly we all, I think, would know—and my colleague, I presume, would agree—

that Castro, Fidel Castro, has no greater enemy on the island of Cuba, or anywhere, for that matter, than Cardinal Ortega, yet is it not the fact that Cardinal Ortega, the Catholic Conference, and in fact His Holiness, Pope John Paul II, has called for the lifting of restrictions on food and medicine sales when it comes to Cuba?

Mr. GRAHAM. I believe it is even more broad. I believe they have advocated a total lifting of the U.S. embargo.

Mr. DODD. I am only referring to this particular proposal.

Mr. GRAHAM. They would not be constrained to the items included in this amendment. They would advocate a total lifting of the embargo against Cuba.

Mr. DODD. Mr. President, is the answer to the question, regarding food and medicine, Cardinal Ortega has called for the lifting of the ban on food and medicine?

Mr. GRAHAM. As well as every other aspect of the embargo. And with great respect, I believe that the policy that says, rather than lift the embargo, strengthen Fidel Castro, with no real prospects, with a country so impoverished as Cuba, that they are going to be able to compete in the commercial market to buy agricultural products—why aren't they buying medicines today? They have been authorized to do it for 5 years, and yet they have not availed themselves.

The reason is probably that it is not a high enough priority of Fidel Castro to use his limited resources to buy antibiotics. He would rather buy equipment that his military and secret police can use to suppress the people. There is no expectation he is going to use any availability of the commercial purchase of foods to any greater extent that he has used his potential of commercial purchase of medicines.

What I think does offer hope is to encourage a policy of U.S. private citizen, with limited Government support, philanthropy through nongovernmental organizations to the people of Cuba, both to meet and alleviate some of their current deprivations and build up some institutions that will help in the transition in Cuba.

Mr. President, for those four stated reasons, I believe this amendment, well intended as it might be, is inappropriate for our consideration at 8:14 p.m. on the evening of July the 15th. I hope that it will be the wisdom of the U.S. Senate, if we are given the opportunity, to set this aside through a motion to table, and that we would see the wisdom of that opportunity and then would look to the bipartisan commission on sanctions as well as the standard traditional processes of deliberation in the Senate as a means to fully explore whether we, in fact, want to change a 40-year policy of the use of economic sanctions against some of the most rapacious or rogue states on this planet.

Thank you, Mr. President.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Thank you very much.

I rise this evening to strongly support the amendment by Senators DODD, WARNER, ROBERTS, HAGEL, and myself, which would exclude food and medicine sales from existing trade sanctions.

As one who has growing concern about the use of unilateral sanctions to accomplish various foreign policy and other goals, I am very pleased tonight that we are considering this very important measure. Food and medicine should not be used as a weapon in our disputes with leaders of other countries. As we have seen repeatedly, and as we have heard repeatedly on the floor of the Senate here tonight, withholding food and medicine does nothing but hurt the people whom we are trying to help in these countries.

The leaders, such as Fidel Castro, are always going to have access to these necessities. They are going to get the food, the shelter, the medicine, the care that they need. But inclusion of food and medicine in embargoes or in sanctions only makes the choices fewer for the residents of those countries and the prices higher for the average citizen.

I simply do not believe that anyone in this body can tell me this is a prudent policy in any country of the world. As just referred to here a few moments ago, somehow we are blaming the U.S. Senate or the United States for the problems in countries such as Cuba. We do not blame the United States for the bad economy. We know that that is Cuba's problem. That is Fidel Castro's making and his problem. But we are here tonight trying only to address the needs of the peoples of those countries and do it in a very humanitarian way, and not to use food and medicine as a weapon in our foreign policy arsenal.

It was also said by the Senator from Florida just a few moments ago—he said that we should have held hearings on a bill like this, that we should not be writing this kind of an amendment on the floor of the U.S. Senate tonight.

But I think he knows very well that Senator DODD and I, for many weeks, tried to schedule hearings. I am the subcommittee chairman of the subcommittee of jurisdiction in the Banking Committee over this bill. We requested numerous times—we held meetings with opponents of this legislation trying to get a time when we could hold the hearing to bring out the concerns and to help write legislation and bring it out to the floor of the Senate.

Those who are opponents of this bill are not only opposed to it tonight, but they have been opposed to it and would not allow us—now, I do not know how often that happens, but the opportunity to even hold a hearing was blocked. There have been many, many, many other attempts and meetings to try to hold a hearing on this very bill, this very amendment, and to try to work out the differences that we might have.

But for those who will say that food and medicine can still be donated as well under these embargoes, I respond by stating that the licensing process that donators have to go through is so time-consuming and it is so cumbersome that it simply is a process that does not work. What has resulted is fewer donations. Improving the distribution system is not going to work as well. We need the certainty of free market sales, unencumbered by Government regulations or dictation and direction.

Certainly, we do not need the Congress to be involved in implementing food and medicine distribution in any countries, as has been suggested here in the past. We need to help our farmers and medical supply companies preserve their excellent reputations globally. Why earn them the reputation again of being an unreliable supplier by continuing to include them in our sanctions? American farmers are still suffering from the effects of the Russian grain embargo from the late 1970s. As we heard, they got the reputation of being unreliable suppliers. And it hurt the farm economy for many, many years following that.

You have heard the statistic often in the past few days—over 60 sanctions have been imposed by this Congress and by this administration. They are based on the laws that we have passed. They target some 70 countries, and the numbers affect from one-third to two-thirds of the world's population. It is no wonder that our agricultural producers and most of the business community have united to oppose these unilateral sanctions. Why would other countries consider us reliable suppliers in the future if we continue to have this kind of a record, to hurt ourselves, to hurt our economy, to hurt our jobs, and not to accomplish the goals we have?

If these sanctions, or these unilateral sanctions, could produce the very type of reforms that we were asking or that we thought should be made, I think everybody in this Senate would line up behind it and vote for it tonight. But over 30 years we have seen that these types of sanctions and embargoes just do not work. All they do is have the exact opposite effect of hurting our farmers, our businesses, our jobs, our economy, and they also do not provide the type of health and humanitarian relief to the people of these countries suffering under these types of regimes.

Why would other countries consider us reliable suppliers in the future if we continue this kind of record? Right now we have pending, just pending, 26 unilateral sanctions—unilateral, just the United States, nobody else coming into this. When we talk about the Iraq sanctions and how we have lifted and allowed them to sell oil to meet some of their needs with food and medicine, that was a world community effort

that put pressure to allow this to happen. We cannot get our allies to support this type of sanctions or embargo. The world community doesn't support it. Many in the Senate do not support it.

There are 11 other bills that could target an unlimited number of countries, as well. One is the pending religious persecution sanctions bill which alone targets over another 100 countries.

Now, in my judgment, sanctions will only accomplish their intended goal if they are applied, again, multilaterally. Anything short of that is bound to fail. The only result, then, again, is that our farmers, our workers, are going to suffer, not the leaders. Fidel Castro is not going to suffer. Fidel Castro is not going to move out of that office one day sooner because of these sanctions. In fact, he has probably stayed in office much too long because of this type of action.

This is an important amendment which follows the commitment that we made yesterday, and that is to try to help our farmers and other businesses expand markets abroad. I urge my colleagues to strongly support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I rise this evening to strongly support this amendment. We have heard a number of dynamics—issues, good questions, relevant questions—about what is being attempted in this amendment.

Mr. President, we are not talking about some revolutionary change in our foreign policy here. What we are talking about is what works. We are talking about common sense, relevance. There has been much talk tonight about humanitarian issues, human rights, trade, foreign policy, national security, all wrapped up into this debate.

But my goodness, Mr. President, as we are about to embark on a new century, a new millennium, the greatest power on the Earth, the greatest power the world has ever seen, are we to rely on embargoing medicine and food to leverage and implement our policy and our position in the word? I don't think so. We are better than that.

We have heard much conversation tonight about unilateral sanctions, multilateral sanctions. The world has changed, shifted. There is no nation on Earth today that can't get medicine and food, commodities, services, products, somewhere else. They don't need to go through the United States. So, in fact, what are we doing? Are we isolating some other country? Are we isolating a leader? No; we are isolating ourselves. We are isolating our farmers. We are isolating our ranchers, our producers, our people, our future, our growth. And for what? We are not compromising our national security when we talk about these issues of medicine and food. We are not exchanging trade for security. We have gotten a little off focus here this evening in some of this debate, a little bit off focus.

Foreign policy is about dynamic change, about a world of great change, a world of hope and opportunity. It is about our role in the world and how we best position ourselves in the world to make our point.

The question always comes back to, How best do we do that? How best do we leverage what we have? What works? Does withholding food and medicine work? Well, look around; look around. This is not some fly-by-night quick deal that we are talking about here. We have debated these issues.

My colleagues have talked about efforts, which I have been part of, to get hearings. Again, I go back to one point of reality here: This is not a revolutionary shift in policy. And if, in fact, we are to enlist more allies and do what America has always done—defend and enhance more liberty for more people—we come back to the question of how we do that. Does trade and commerce improve people's lives? Does it open societies? I think history has answered that rather clearly.

Yes, I am from a Midwestern State. I am from a large agriculture exporting State. That is important. Those interests are important. But there is not a farmer in Nebraska who is saying, ''I would trade America's national interests in the world'' —or even entertaining that bargain—''for selling more corn or beef.'' So let's not mislead anyone here tonight that that is the trade. That is not the trade here. That is not what we are talking about. We are talking about what works and who is really penalized here.

I can go through a list. You all know about what has happened when wheat embargoes have been put on. President Nixon in 1973 banned soybean exports. What has that done? Well, it has made Brazil a very significant soybean producer, is what it has done. I have pages of these things to talk about, specifically narrow, focused issues on agriculture and medicine. But in the interest of time and the interest of good judgment, so that my colleagues won't be completely offended by this debate, suffice it to say that this is a debate about the totality and the completeness of what encompasses foreign policy, and trade is part of that—trade is part of it—and how we best work our way in to nations that don't have the same values and standards and morals and respect for rights as we do.

I close by a point I made at the beginning of my remarks. A great power, the greatest power on Earth, this Nation that has done so much for so many for so long, should not need to rely on embargoes for food and medicine to implement and further our policy.

I hope my colleagues look at this in the completeness of how we, who have offered this, intend it to be viewed and would support this amendment.

I yield the floor.

Mr. WARNER. Mr. President, I rise today as a strong supporter and principal cosponsor of this important amendment sponsored by my friend and colleague, Senator DODD.

This amendment would exclude the export (including financing) of food, other agricultural commodities, medicines and medical equipment from any unilateral sanctions imposed by the United States.

In recent weeks, we have heard over and over again here on the Senate floor, on the weekend talk shows and in the editorial pages of numerous newspapers how unilateral sanctions on the export of agricultural commodities, medicine and medical equipment primarily hurts American producers of those producers.

Also, in most cases, the prohibition or restriction on the sales of food, medicine and medical equipment in order to punish a foreign government harms the general population in the targeted country rather than that country's leadership.

Gary Hufbauer—a renowned expert on the issue of sanctions—made that very point in his recent article in the Washington Post. He stated:

> . . . economic sanctions can inflict pain on innocent people while at the same time increasing the grip of the leaders we despise. When sanctions are applied broadside—as against Haiti, Cuba and Iraq—the hardest hit are the most vulnerable: the poor, the very young, the very old and the sick. Left unharmed, and often strengthened, are the real targets: the political military and economic elites.

Finally, unilateral sanctions on food and medicine rarely achieve the goal of having the targeted nation alter its actions or policies. In light of that, I believe it is time to stop using food and medicine as a foreign policy weapon.

As a member of the recently established Sanctions Task Force, I look forward to working with my colleagues on the broader issue of reviewing on the broader issue of reviewing the overall U.S. sanctions policy.

However, I believe that is appropriate at this time to proceed with this amendment to exempt food and medicine—what I consider humanitarian products—from unilateral U.S. economic sanctions.

Mr. President, Senator DODD and I have been working towards this goal for a considerable time. Our former colleague, Senator Wallop of Wyoming, has been a valued resource for facts which compel this action. Likewise, a number of Cuban Americans have urged this goal. The time is now.

Mr. TORRICELLI. Mr. President, this issue has now been debated at great length. And having listened to so many of my colleagues, for my own part, I wanted only to respond to several things that have been said and then leave the issue with the Senate.

It is being suggested that somehow the idea of economic sanctions is some aberration of policy, inconsistent with our values, inappropriate in the final years of the 20th century. I want to remind my colleagues that the American effort to impose economic sanctions

began with Woodrow Wilson, after the Great War, as an alternative to military conflict. So many lives had been lost and the war was so senseless that we began this 20th century with a commitment that this was the better alternative. I don't believe that Members of this Senate have been dissuaded from that view, given the outrageous conduct by terrorist states and facing the choice of military attack or expressing our outrage by separating them out of the international trading community. Sanctions are the better choice.

Contrary to the statements of my friend, the Senator from Nebraska, the record is replete that they do succeed. How many Soviet Jews would have left Russia had it not been for Jackson-Vanik? What cooperation would we have had from Vietnam in finding POW crash sites if it hadn't been for sanctions? Where would North Korea had been now in stopping the development of atomic weapons if not for sanctions? Where would we be in negotiating with Qadhafi for the killers of Pan Am 103 if not for sanctions? Indeed, would Fidel Castro have had the Pope in Havana if there had not been sanctions? They are not always perfect, but they are the better alternative to military action.

My friend Senator DURBIN, the Senator from Illinois, asked the rhetorical question whether or not there would be an impact on national security. What an easy vote to cast on this floor. But what a difficult thing it would be to face if tomorrow morning Castro, Saddam Hussein, and Qadhafi found that the sum and the substance of America's economic boycott on principle against their regime had been destroyed. Thirty years of American foreign policy is on the line. Without a hearing, without the administration being heard, without an alternative being offered, the sum and substance of American foreign policy would be taken off the books.

I suggested earlier in a colloquy with my friend from Florida, Senator GRAHAM, that I know why it is being done. I understand the frustration of our colleagues from the Middle West. But the suffering of American farmers is addressed by changing American farm policy, not changing American foreign policy. These are the poorest nations in the world. It is not fair to the American farmer to say that plummeting prices and failing farms are going to be answered by ending the embargo on Cuba, where the average person makes $300 a year, or the Sudan, or North Korea. These are poor, small nations, without the ability to buy. If they had the ability to buy farm products, they would be buying them from Argentina, Australia, or France, or other American competitors. But they are buying from no one, because they have nothing.

Let's at least be honest about the debate. This will not add up to one dime of American farm sales. It is a political answer for an economic problem. I suspect that the numbers would bear me out that my State of New Jersey manufactures as much in the gross value of pharmaceutical products as the State of Nebraska and the State of Kansas produce in agricultural products. Every major pharmaceutical company in America is in my State. I have never heard one pharmaceutical executive or one worker suggest that we should give in to Qadhafi on Pan Am 103, or the political prisoners in Cuba, or terrorism in Syria or Sudan because of a market opportunity—not one. And I don't believe that your farmers feel any differently than my pharmaceutical executives.

Mr. DODD. Will my colleague yield for a second? We are going to have a vote in 10 minutes. I haven't had a chance yet. I made opening remarks, but I wanted to speak again.

Mr. TORRICELLI. I wanted to ask a question, if I could, and then I will yield to the Senator from Connecticut.

In my reading of the Senator's amendment, not only would it be lifting these restrictions on food, but also on pharmaceutical products, including medical devices, and including the financing of food; is that accurate?

Mr. DODD. Yes.

Mr. TORRICELLI. Well, let me conclude, and then I will allow the Senator from Connecticut to end on his amendment, as is only right and appropriate.

I don't know how a Member of this Senate tomorrow morning could call the families of the victims of Pan Am 103, who are now suing to get financial reimbursement for the loss of their loved ones from Qadhafi, and now suggest that we are going to be financing food exports to Libya or Cuba. Not only are we not selling, but we will be financing.

This brings us back to where we were with Saddam Hussein when the gulf war started. How could we explain to any American that, while American soldiers were having to fight in Iraq, Iraqi soldiers were eating food not only made in the United States but financed by American taxpayers? That would be returned to. Senator GRAHAM and I specifically prohibited medical devices because there was evidence that Fidel Castro was using medical devices made in the United States to torture and interrogate prisoners in Cuba. That is the sum and substance of what the Senate faces.

I apologize to the Senator for consuming so much time.

Mr. DODD. Mr. President, first of all, I yield to my colleague from Kansas for a modification he wishes to make.

AMENDMENT NO. 3159, AS MODIFIED

Mr. ROBERTS. Mr. President, I send to the desk a modification in the best interests of the Senators who have expressed strong opposition to this legislation. Obviously, they have some additional concerns that have been expressed.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and the amendment is so modified.

The amendment (No. 3159), as modified, is as follows:

Strike all after the first word in the pending amendment an insert in lieu thereof the following:

''(A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) The President may retain or impose sanctions covered under (B)(1) if he determines that retaining or imposing such sanctions would further U.S. national security interests.

(D) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.''.

Mr. DODD. Mr. President, I have sat here patiently listening to a lot of rhetoric associated with this amendment.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. DODD. I am happy to yield for a question.

Mr. GRAHAM. I hope that at some point someone will explain what that modification is. But this question relates to a different issue.

One of the typical restraints that the United States has imposed on the sale of food and medicine to suspect countries has been that there has to be an independent source of distribution so that the food and medicine will not be, as allegedly has occurred in North Korea, diverted just to feed the soldiers and let the civilian population starve.

In light of that, I am concerned with the language on line 15, where it states that ''the President shall not restrict or otherwise prohibit any exports,'' and then it lists the items.

Would this mean that the President could not impose a restriction, such as the requirement that, yes, we will provide food and medicine, but in a manner that will assure that the people for whose good we intended it to be utilized will be fed, will be medicated, not

the elite or those elements of the society that are serving to oppress the people? Would the President be prohibited from making those kinds of restrictions?

Mr. DODD. I thank my colleague for the question. If I thought for a single second that anything I might offer in this amendment would win his support, I would engage it with a higher degree of seriousness.

Obviously, I can be confident that any American President would want to make sure that any program we were endorsing on the sale of food and medicine was going to maximize the potential for it to reach the intended consumer, and that is the innocent people in these countries. But let me, if I can, come back to some points that have been made here over the last hour and a half or so.

First of all, we have heard about Lockerbie. I take a backseat to no one in my sense of outrage, nor do any of my colleagues who support this amendment, over the grotesque and violent shooting down of Pan Am Flight 103 that caused such a tremendous loss of life over Lockerbie, Scotland.

But let me take Libya off the table. There are multilateral sanctions against Libya. There is nothing in this bill that affects Pan Am Flight 103. And to suggest so is to not have read the amendment nor to understand the sanctions regimen against Libya. It is multilateral sanctions. This bill is unilateral sanctions only on economics.

So to raise the prospect of the tragedy over Lockerbie in the face of this amendment is either not to understand what exists in Libya or not to understand what this amendment proposes. So Libya is not in play at all.

I point out that many of my colleagues over the last few days have indicated their own strong feelings on the subject of the use of food and medicine as a tool of our sanctions policy with unilateral economic sanctions. My colleague from Idaho, Senator CRAIG, quoting him in his remarks of the day during the debate on Pakistan and India, and I quote: ''Cutting ourselves off through unilateral sanctions seldom benefits us as a nation, and almost always hurts the producer. Food should never be used as a tool of foreign policy.''

Our colleague from Montana, Senator BURNS: ''Let me tell you a little bit about sanctions. I have never been convinced that sanctions on food really worked.''

Our colleague from Kansas says, who is the Presiding Officer, if I may in his presence quote him in that debate: ''Food being used as a tool of foreign policy should never ever occur.''

Senator DORGAN: ''We ought to decide as Congress right now that sanctions do not include food shipments.''

I can go on. Our colleagues, I think, across party lines, across the great spectrum of this country, have come to realize that, as my good friend and colleague from Nebraska so eloquently pointed out, we are a great nation. We are the most powerful nation on the face of this Earth economically, and militarily. We are the envy of the world politically. And for us on this evening to say that this great power still finds it necessary in order to advance its foreign policy interests that food and medicine that would go into the mouths and bodies of innocent people who live in these dreadful regimes may be the subject of unilateral economic sanctions, I think, is sad. I think it is sad.

We who sit here this evening and have full meals—those who oppose these policies and never worry about whether or not their child can get an inoculation, or an immunization, whether or not they are ever going to have food on their table—look in the face of an innocent North Korean child, if you want to, or look in the face of an innocent Cuban child who has to live under Fidel Castro—that child didn't make that choice. That family didn't make that choice. Are we in this great power of ours, the United States of America, saying this evening that we will not allow the sale of food or medicine to help out that child of those countries? I don't believe that. I don't believe that. I think we are bigger, I think we are better than that.

I think this debate on sanctions has been healthy. It is beginning to recognize the awakening in America that, as our colleague from the farm States and others have pointed out, we need to have policies that work—not that make us feel good. This is not about press releases. It is not about satisfying constituencies here at home. It is about doing something that advances our legitimate foreign policy interests. Do we do that by causing injury to our own people and causing injury to innocent people in these countries while the elite economically and politically grow fat on their own dictatorships at the expense of their own people, and we in our own unwitting way assist them in that process?

Mr. President, I hope as our colleagues come over here—this is not about endorsing terrorism or excusing Libya in Flight 103, or any other dreadful atrocity that a dictator has imposed. It says that with regard to unilateral economic sanctions the United States of America, at the close of the 20th century and the beginning of the 21st, that we take food and medicine with regard to unilateral sanctions off the table—we take it off the table—and we will advance our cause by building support on the suggestion in the minds and hearts of innocent people in these countries that they overthrow these very dictators, and we let them know this evening that we are not going to allow our wealth and our technology, which has produced the largest abundance of food and the best medicines in the world—that if we can get them to these people, we want to see that it happens and that we stand for that.

Mr. President, I urge the adoption of this amendment which has been offered by a bipartisan group of us—from the East, in the Midwest, the far West—this evening, and that it be supported by our colleagues.

I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, it is my understanding that the Kerrey amendment we will have a vote on.

Let me ask the Senator from Mississippi.

Mr. COCHRAN. Mr. President, if the distinguished Senator will yield, it is our hope, given the fact that only one amendment really has been debated—and that is the Dodd amendment up to the point of 8:45 under the order—that a vote will occur on a motion to table the Dodd amendment, which will be made by the distinguished chairman of the Appropriations Committee. That will take with it, if it is agreed to, the amendment offered by the Senator from Kansas in the second degree. Then, that would be the only vote ordered to occur right now. We still have four other amendments that have been cited as in order to come up tonight: The Torricelli amendment, the Johnson amendment, the Graham amendment, and the Kerrey amendment. If the Dodd amendment is tabled, there won't be a need for the Torricelli amendment, as I understand it, and that would be withdrawn.

Then we think we can work out an agreement to accept the Johnson amendment, which is the third amendment, and the Graham amendment on disaster assistance. But we would have to have a vote on the Kerrey amendment. That could occur tonight, or tomorrow, whatever the pleasure of the leadership is.

Mr. STEVENS. I want the Senate to know that when the Leaders arrive, we will have to discuss the arrangement on whether or not that vote will occur tonight. And it will be my hope that it will occur tonight, Mr. President.

But, under the circumstances of the situation now, again in order to facilitate the management of this bill, I move to table the Dodd amendment, which, as I understand, would also carry with it the second-degree Roberts amendment. I reluctantly make that motion, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska to lay on the table the amendment of the Senator from Connecticut. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from New Mexico (Mr. BINGAMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 38, nays 60, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—38

Ashcroft	Helms	McConnell
Breaux	Hollings	Murkowski
Bryan	Hutchinson	Reid
Campbell	Inhofe	Sessions
Chafee	Kohl	Shelby
Cochran	Kyl	Smith (NH)
Coverdell	Landrieu	Snowe
Faircloth	Lautenberg	Specter
Ford	Levin	Stevens
Frist	Lieberman	Thompson
Graham	Lott	Thurmond
Gramm	Mack	Torricelli
Gregg	McCain	

NAYS—60

Abraham	Dodd	Kerry
Akaka	Domenici	Leahy
Allard	Dorgan	Lugar
Baucus	Durbin	Mikulski
Bennett	Enzi	Moseley-Braun
Biden	Feingold	Moynihan
Bond	Feinstein	Murray
Boxer	Gorton	Nickles
Brownback	Grams	Reed
Bumpers	Grassley	Robb
Burns	Hagel	Roberts
Byrd	Harkin	Rockefeller
Cleland	Hatch	Roth
Coats	Hutchison	Santorum
Collins	Inouye	Sarbanes
Conrad	Jeffords	Smith (OR)
Craig	Johnson	Thomas
D'Amato	Kempthorne	Warner
Daschle	Kennedy	Wellstone
DeWine	Kerrey	Wyden

NOT VOTING—2

Bingaman	Glenn

The motion to lay on the table the amendment (No. 3158) was rejected.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. STEVENS. May we have order?

The PRESIDING OFFICER. Let's have order in the Senate.

Mr. LOTT. If I can explain what the order will be now. The Chair will put the question on the Roberts amendment to the Dodd amendment. I presume that will be accepted by a voice vote. Then we will go to the Torricelli second-degree amendment, with 2 minutes for him to describe his amendment, 2 minutes for Senator DODD in opposition, and then a vote on that.

Mr. DODD. Will the leader yield?

I say, Mr. President, that is not a second-degree amendment. It is a freestanding amendment.

Mr. LOTT. Freestanding amendment then.

Mr. TORRICELLI. If the leader would yield, it is my understanding, from our conversation, that the Roberts amendment would be accepted; and I will, in turn, have a second-degree amendment.

Mr. LOTT. That was my understanding.

Mr. DODD. If the leader would yield, the Roberts amendment is a second-degree amendment.

Mr. GRAMM. If it is dealt with, that clears the tree.

Mr. LOTT. So after 4 minutes of debate, equally divided, we could go to a recorded vote on the Torricelli amendment. I ask unanimous consent that that be the order.

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

Mr. LOTT. I ask unanimous consent that we then go to—

Mr. BYRD. Mr. President, reserving the right to object, and I will not, of course.

Mr. LOTT. I am glad, of course, to yield to the Senator.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I apologize to the leader for interrupting him.

Mr. LOTT. It is certainly all right, Mr. President.

Mr. BYRD. Have the yeas and nays been ordered?

Mr. LOTT. On the Torricelli amendment? I do not believe they have.

Mr. BYRD. Then the leader did not mean to include in his unanimous consent request that it would be a recorded vote.

Mr. LOTT. That is correct, Mr. President.

Mr. BYRD. I thank the Senator.

Mr. LOTT. I ask unanimous consent that it be in order to ask for the yeas and nays on the Torricelli amendment.

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

Mr. LOTT. I ask for the yeas and nays on the Torricelli amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. I ask unanimous consent that then we proceed to the Kerrey amendment and that there be 10 minutes of debate equally divided on the Kerrey amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, reserving the right to object, I wonder if, since everybody is here, whether we could limit the vote on the Torricelli amendment to 10 minutes.

Mr. LOTT. I think that is an excellent request.

And I ask unanimous consent that that vote be limited to 10 minutes.

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

Mr. LOTT. I believe then we are ready to put the question.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 3159, the Roberts amendment.

The amendment (No. 3159) as modified, was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. I would like to make one more unanimous consent request. I ask unanimous consent that the vote on the Kerrey amendment—if ordered, and we get the yeas and nays on that—be also limited to 10 minutes.

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

Mr. LOTT. I ask unanimous consent that it be in order for me to ask for the yeas and nays on the Kerrey amendment.

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

Mr. LOTT. I ask for the yeas and nays on the Kerrey amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 3160 TO AMENDMENT NO. 3158, AS AMENDED

(Purpose: To exclude the application of the amendment to certain countries)

Mr. TORRICELLI. Mr. President, Members of the Senate, we are about to cast a vote that we will remember for many years. I know the issue of the day is the farm crisis in the Midwest. The answer to that problem is in this market, in this Senate, not by changing a fundamental of American foreign policy. The issue today may be the farm crisis, but last year and the years before that, it has been the war against terrorism.

My amendment is simple. We have lifted the American embargo against selling food and medicine unless—unless—you are from a country that is engaged in terrorism against the United States of America.

Mr. Qadhafi does not deserve, tomorrow morning, to wake up and find out we forgot about Pan Am 103; or Castro, with his political prisoners; nor should we end with North Korea our actions just when we are negotiating the control of atomic weapons.

I know the frustration of my colleagues from the Midwest, but these nations, with per capita incomes of $100, $200, $300, they are not buying agricultural products from anyone in the world, so they are not going buy them from us, because they have no money, because they are failing Marxist regimes.

For 30 years, this country has held the line that on human rights and on actions of terrorism against our country we would not deal with them. Things are so close, the handful of Marxist regimes that are left—the handful—do not throw them a lifeline.

Can you imagine the frustration tomorrow morning of activists in Cuba who are fighting for freedom to find out we have taken the heart out of this embargo? Make no mistake, this is the heart. These countries, from Libya to North Korea, to those that are harboring assassins in the Sudan, the Hezbollah in Syria, these terrorist nations, they are not seeking to buy airplanes or high technology. This is all they would have if they had the resources.

This is not a message you want to send. Today it may be the farm crisis. But terrorism is not gone from this Earth. The State Department has told us that there are these nations, these six nations, engaged in terrorism against our people. They do not deserve an exception. The Senate has done its will. It has lifted food and medicine. Just keep this exception on these few terrorist states.

Mr. HELMS. Mr. President, in the rush to end sanctions, I find it incredible that some of our colleagues appear

willing to forgive and forget the conduct of regimes like those in Iran, Iraq, Libya, Cuba, Sudan, and North Korea.

The inescapable impression is that they are willing—I hope unwittingly—to cast aside U.S. laws designed to ensure that U.S. taxpayers' money will not be sent to regimes that proliferate weapons of mass destruction, or smuggle drugs over our borders, or promote acts of terrorism around the world.

More disheartening is an apparent willingness to abandon the Cuban people to the brutality of Fidel Castro.

Mr. President, I am pleased that the Majority Leader has taken the initiative to create the Sanctions Task Force, of which I am a member. That bipartisan group has been tasked with studying sanctions in a deliberate process and produce recommendations for the consideration of the Senate.

Rather than wait for that careful review, Senator DODD has offered an amendment today that would have the effect of undermining existing sanctions on rogue states.

Mr. President, there should be no mistake about Senator DODD's seeking to undermine the U.S. embargo of Fidel Castro's regime. So eager is the Senator to achieve this end, that he is willing to blow a hole in all other U.S.-supported embargoes as well. That is what the Senator's amendment would do.

The Senator's amendment is based on the mistaken notion that people in Cuba go without food and medicine due to U.S. sanctions. The facts paint a very different picture. Cubans have been impoverished by a failed Communist economy. Moreover, Castro denies his own people such necessities as a means of keeping them under his thumb. But, he makes state-of-the-art medical care available to Communist party cronies and foreign tourists who provide hard currency to his regime.

Mr. President, U.S. and multilateral sanctions routinely contemplate humanitarian needs of the people in these countries. In the case of Cuba, U.S. law currently permits the sale of medicines and the donation of food and other humanitarian necessities. Indeed, just since 1992, Americans have provided about $2.3 billion in aid directly to the Cuban people.

The comprehensive trade embargo on Iran allows for humanitarian donations to be sent. Even with North Korea, the U.S. has been able to accommodate humanitarian needs without loosening the restrictions in other areas.

In Iraq, the food-for-oil agreement allows humanitarian aid to flow. Our Treasury Department also licenses the donation and sale of these items.

The bottom-line is that the Dodd amendment is not good for the Cuban people or any other country—including our own. Therefore it is imperative that the Torricelli second degree amendment be approved by the Senate.

In Cuba, as with other countries, there are reasonable, pro-active steps that we can take to promote the liberation of the people and, in the mean time, provide humanitarian assistance. But, we should do this without letting up the pressure on the tyrants who torment their own people.

Mr. President, in closing, I am persuaded that it is not and never will be in the interest of the United States of America to relax pressure on governments that promote terrorism, destabilize regions with their aggression, proliferate nuclear weapons technology, and enslave their own people. Therefore, I urge that the pending Torricelli second degree amendment be approved overwhelmingly.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TORRICELLI. I thank my colleagues.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI] proposes an amendment numbered 3160 to amendment No. 3158, as amended.

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

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment is as follows:

At the end of its amendment add the following:

Notwithstanding any other provision of this section, section B(2) shall read as follows:

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any country that—

(1) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

(2) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment; or to

(3)

Mr. DODD. Mr. President, the Senate has just expressed its will on this issue. My colleagues, Senator ROBERTS, Senator HAGEL, Senator WARNER, Senator GRAMS, and Senator DORGAN and I offered the amendment and, in fact, included language by Senator ROBERTS which very specifically allows the President to retain or impose any of the above sanctions if he determines such sanctions to be in the national interest of the United States.

Our underlying amendment only deals with unilateral economic sanctions. On any nation where there are multilateral sanctions, such as Libya and Iraq, this amendment would not apply. It is only in those countries where there are unilateral sanctions being imposed.

Now, it should come as no great surprise to my colleagues that the nations on whom we impose unilateral sanctions are the very nations that my colleague from New Jersey would now like to exempt. What we have been suggesting here this evening is that this great Nation, as my colleague from Nebraska, Senator HAGEL, so eloquently said—this great Nation, with its great economic and military power, we ought to be able to take food and medicine out of the arsenal of sanctions we use for the very economic elite and political elite of these terrorist countries. They do not suffer for lack of food. They do not suffer for lack of medicine. It is the innocents who live under these regimes who pay the price, and also the very farmers of this country who grow the products who are suffering today as a result of a farm crisis, denied the opportunity where there are nations who can afford to buy these products who pay the price. And we do not change policy in these countries.

With all due respect to my good friend from New Jersey and those who would support this amendment, we have provided for language here that would allow for an exception should that occasion arise. But let us not undo the will that the Senate just expressed on the underlying amendment to take food and medicine off the table. Use whatever other sanctions we will or we might, but food and medicine ought not to be a part of the unilateral economic sanctions regime that this country would seek to impose.

The PRESIDING OFFICER. The Senator's time has expired.

All time has expired.

Mr. DODD. Mr. President, I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment No. 3160. 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 Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. FORD. I announce that the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Ohio (Mr. GLENN) are necessarily absent.

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

The result was announced—yeas 30, nays 67, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—30

Akaka	Enzi	Mikulski
Baucus	Grams	Moseley-Braun
Brownback	Hagel	Moynihan
Byrd	Harkin	Reed
Cleland	Inouye	Roberts
Conrad	Johnson	Rockefeller
Daschle	Kennedy	Sarbanes
Dodd	Kerrey	Thomas
Dorgan	Leahy	Warner
Durbin	Lugar	Wellstone

NAYS—67

Abraham	Biden	Bryan
Allard	Bond	Bumpers
Ashcroft	Boxer	Burns
Bennett	Breaux	Campbell

Chafee	Hatch	Murray
Coats	Helms	Nickles
Cochran	Hollings	Reid
Collins	Hutchinson	Robb
Coverdell	Hutchison	Roth
Craig	Inhofe	Santorum
D'Amato	Kempthorne	Sessions
DeWine	Kerry	Shelby
Domenici	Kohl	Smith (NH)
Faircloth	Kyl	Smith (OR)
Feingold	Landrieu	Snowe
Feinstein	Lautenberg	Specter
Ford	Levin	Stevens
Frist	Lieberman	Thompson
Gorton	Lott	Thurmond
Graham	Mack	Torricelli
Gramm	McCain	Wyden
Grassley	McConnell	
Gregg	Murkowski	

NOT VOTING—3

Bingaman	Glenn	Jeffords

The motion to lay on the table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 3160) was agreed to.

AMENDMENT NO. 3158, AS AMENDED

The PRESIDING OFFICER. The question is on the first-degree amendment, as amended.

The yeas and nays have been ordered.

Mr. DODD. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the first-degree amendment, as amended.

The amendment (No. 3158) as amended, was agreed to.

AMENDMENT NO. 3161

(Purpose: To ensure the continued viability of livestock producers and the livestock industry in the United States)

Mr. KERREY. 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 Nebraska [Mr. KERREY], for himself, Mr. BURNS, Mr. DASCHLE, Mr. JOHNSON, Mr. CONRAD, Mr. DORGAN, Mr. WELLSTONE, Mr. BAUCUS, and Mr. HARKIN, proposes an amendment numbered 3161.

Mr. KERREY. 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 67, after line 23 add the following:

SEC. 7___. LIVESTOCK INDUSTRY IMPROVEMENT.

(a) DOMESTIC MARKET REPORTING.—

(1) IN GENERAL.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking ''(g) To'' and inserting the following:

''(g) COLLECTION AND DISSEMINATION OF MARKETING INFORMATION.—

''(1) IN GENERAL.—The Secretary shall''; and

(B) by adding at the end the following:

''(2) DOMESTIC MARKET REPORTING.—

''(A) MANDATORY REPORTING PILOT PROGRAM.—

''(i) IN GENERAL.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

''(ii) NONCOMPLIANCE.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

''(iii) CEASE AND DESIST AND CIVIL PENALTY.—

''(I) IN GENERAL.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

''(II) CONSIDERATIONS.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

''(iv) REFERRAL TO ATTORNEY GENERAL.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

''(B) VOLUNTARY REPORTING.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

''(C) AVAILABILITY OF INFORMATION.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

''(i) the identity of the person submitting a report is not disclosed; and

''(ii) the confidentiality of proprietary business information is otherwise protected.

''(D) EFFECT ON OTHER LAWS.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.''.

(2) TECHNICAL AMENDMENT.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking ''The Secretary is directed and authorized:''; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking ''To'' and inserting ''The Secretary shall''.

(b) PROHIBITION ON NONCOMPETITIVE PRACTICES.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting ''; or''; and

(2) by adding at the end the following:

''(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.''.

(c) PROTECTION OF LIVESTOCK PRODUCERS AGAINST RETALIATION BY PACKERS.—

(1) RETALIATION PROHIBITED.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking ''or subject'' and inserting ''subject''; and

(B) by inserting before the semicolon at the end the following: '', or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer''.

(2) SPECIAL REQUIREMENTS REGARDING ALLEGATIONS OF RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

''(e) SPECIAL PROCEDURES REGARDING ALLEGATIONS OF RETALIATION.—

''(1) CONSIDERATION BY SPECIAL PANEL.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

''(2) COMPLAINT; HEARING.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

''(3) EVIDENTIARY STANDARD.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.''.

(3) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

''(f) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—

''(1) IN GENERAL.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

''(2) ENFORCEMENT.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

''(3) OTHER REMEDIES.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.''.

(d) REVIEW OF FEDERAL AGRICULTURE CREDIT POLICIES.—

The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

Mr. KERREY. Mr. President, I rise today to discuss the financial crisis growing in our rural economy and to send an amendment to the desk.

Nebraska's farmers and farm communities are confronting a series of events—most of them completely out of their control—that will lead most of them to lose money this year and may drive a fair share out of business. I have been meeting with groups of farmers for as long as I have been in the Senate, and the message I hear resounding across Nebraska is that the situation is very grim.

This is a clear case of a situation in which families won't have a shot at the American dream if we don't put the law on their side.

These events are a good reminder of why agriculture is such a precarious business to be in. Farmers are entrepreneurs who operate small businesses that manufacture their product outdoors. And on top of the always risky proposition of dealing with mother nature, this year our farmers are dealing with grain and livestock prices at their lowest levels in more than a decade, land rental prices that have increased by an average of 37%, a cost of living—particularly for health insurance—that keeps going up, even when commodity prices keep falling, and a rail transportation problem that will almost certainly leave record bushels of grain on the ground across middle America again this year.

And I haven't even mentioned the event over which farmers have the least control—the economies of foreign countries. Nebraska sends a third of its agricultural exports to Asia. Or rather, we used to. With more than 60 million people now living on less than a dollar a day in Indonesia, those markets in Asia are gone.

Many ''experts'' suggest that the key to a profitable farming operation is diversification. But when every major sector of production agriculture is operating at a loss—from corn to cattle to wheat to hogs—my farmers find that diversification is simply a decision of what to grow that will lose the least.

What is most troubling to me about the financial crisis in rural America is that it comes at a time of unprecedented economic success for the rest of the country. But make no mistake: trouble in rural America will not stay confined to the farm. When Nebraska farmers lose money, Omaha laborers find themselves with less work and it will happen on a nationwide scale, too. Though less so now than in the past, the United States remains an agriculture-based economy. Agriculture is our only sector that runs a trade surplus. In Nebraska, it accounts for one of every four jobs.

So I come to the floor today to issue a wake up call to the Senate. It doesn't matter what you call it—a crisis, a disaster, or just plain misfortune—family based agriculture in America is in grave danger. And there is no one who can act to preserve family based agriculture but us. The Secretary of Agriculture cannot do it and the U.S. Trade Representative cannot do it. If we believe in the value of family based agriculture, this Congress must act to preserve it ourselves.

Under the leadership of Senator DASCHLE, we are bringing a number of amendments to the floor that will help farmers regain a measure of profitability this year. These amendments are reasonable and I believe that the Senate will recognize that they strengthen the existing farm law, rather than weaken it. And I hope that in a spirit of bipartisanship, we can agree that if we add these amendments to the farm bill we can make it work for our farmers.

I am sending one of those amendments to the desk now. This amendment would try to improve market conditions in the livestock industry by mandating reporting requirements.

We have price spreads between retail beef prices and the price paid to producers that are at record levels. We all know what happens when the price of crude oil goes down—we pay less for gas at the pump. But although the price of cattle has dropped precipitously, beef is still the same price if not higher at the supermarket. That defies logic and it says to me that something does not work in the cattle market. We have an amendment that would address that.

This amendment will restore transparency to livestock markets by mandating the price reporting of live cattle and boxed beef.

The cattle feeding industry is in an extended period of sharply negative feeding margins, with losses of about $100 per head.

Earlier this year, hog prices sank to a 26-year low.

But at the same time, consumer prices at the retail level remain unchanged.

Producers are concerned that there is not enough information to determine fair market prices for livestock, and this price reporting amendment will change that.

Common sense tells us that complete price information is vital to an efficient market. But the majority of cattle are now sold under secret pricing deals, and those transactions are not recorded in the cash market.

The lack of transparency in the market creates the potential for exploitation, and we must act to stop that. My democratic colleagues support this approach and I am optimistic that Republicans can support this amendment, as well.

So I hope that we will come together in a bipartisan way this week and pass these measures to help alleviate the financial crisis occurring in rural America. For we have a great deal at stake here, and it is more than just a partisan quibble over whether or not to make changes in a law.

At stake is the preservation of family based agriculture and whether or not Congress has the good sense and the courage to step in while there is still time. For all of our sakes, I hope we do.

Mr. President, this is a very simple amendment that authorizes the Secretary of Agriculture to conduct a 3-year pilot program in mandatory price reporting so that we can get a true market in the cattle industry. It has been long debated by the Agriculture Committee. I think most Members have pretty well made up their minds on it.

I yield to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, the amendment allows the head of the stockyards division to look into a way to set up mandatory price reporting. Right now, we only have one segment of the chain in the cattle market that is doing any price discovery at all; that is at the auction market. When cattle changes hands in feedlots and packing houses, these prices are not reported, or they go unreported for a week. We cannot make marketing decisions if you are producing replacement cattle while doing business like that. I suggest the adoption of this amendment.

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Nebraska and the Senator from Montana for this amendment.

We have a very serious situation with regard to price transparency. Can you imagine going into a store and not knowing the price? Can you imagine a retailer going into the market and not knowing what the prevailing price is?

What these two Senators are doing is simply asking that we have a pilot project to be able to decide if there is a way by which to better describe prices and a way to bring about price transparencies so producers and retailers or anybody has a better understanding of what the market is.

If you really believe in a free market, you will support this pilot project because it simply allows the free market to do its work.

Mr. President, I am deeply disturbed by the number of small to medium-sized producers going out of business in our states, and by mounting evidence that anti-competitive forces within the livestock market are contributing to this trend of shrinking income.

This amendment offered by Senator KERREY will help end the secret livestock deals that are driving small to medium-sized producers out of business in our states, by requiring that they report the prices they pay for live cattle.

This in turn will assure that the market price accurately reflects the real value of livestock, in other words increases market transparency.

In South Dakota, smaller livestock producers are leaving the industry literally by the hundreds.

According to South Dakota State University, in the past five years South Dakota has lost over 1,000 of our smaller cow/calf operators, and over 800 small feedlots.

Not only do these losses cripple rural communities, they threaten the vitality of the agriculture industry itself.

Small business plays an essential role in any market; it is small business that can respond most rapidly to changing consumer demand, and small business that is most likely to innovate and meet the preferences of niche markets.

As packers and feedlots continue to merge, as smaller operations go out of business, and as producers face progressively fewer markets for their production, we lose an important segment of the industry.

The result will be a less diverse, less responsive marketplace.

Increasing market transparency is essential to ensuring our producers at least have a chance to compete.

I appreciate that USDA publishes voluntarily reported price information, but we need to do more.

The contract prices that currently are not reported may have market distorting effects because reported cash prices do not reflect true market conditions.

Formula pricing, captive supplies, and vertical integration all contribute to transactions off of the cash market, and severely impede many producers' ability to compete.

This amendment would ensure, on a test basis, that all livestock prices are reported.

This means producers and feedlots will know that the market price accurately reflects the prices being paid in private transactions.

This is the way the free market is supposed to work.

The majority of producers who talk to me about conditions in the industry today simply say they want a fair shake.

They want a chance to work hard to produce a high quality product and to sell it for a fair price.

We expect our foreign markets to be open and fair so that we can compete abroad. Producers absolutely should be able to expect the same of our domestic markets.

Producers and farm organizations have been saying for some time that as prices and terms of trade become increasingly limited, there isn't enough information available to determine the fair market price for livestock.

I continue to hear that not only is complete price information vital to an efficient market, but also that it may reduce the potential for exploitative relationships in the industry.

This is an important, reasonable step to take on behalf of our small livestock producers.

If we care about small business, if we care about the rural communities they serve, if we care about having a fair and open marketplace in agriculture, we will pass Senator KERREY's amendment.

I hope that on a bipartisan basis we can support this amendment.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, with some reluctance, I oppose the amendment offered by the distinguished Senator from Nebraska. I do so because the industry is not for this amendment. The National Cattlemen's Beef Association has written a letter in opposition to the amendment. And just one word of that letter says the following. They refer to the Daschle amendment. This is the same amendment dealing with mandatory live cattle price reporting:

> These amendments are not fair and equitable to beef producers, and many of these provisions are counter to our producers' policies.

I ask unanimous consent that a copy of the total letter from the National Cattlemen's Beef Association be printed in the RECORD.

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

NATIONAL CATTLEMEN'S BEEF ASSOCIATION,
Washington, DC, July 14, 1998.

Hon. LARRY E. CRAIG,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR CRAIG: S. 2159, the Agricultural Appropriations bill, will soon be considered on the Senate floor. The National Cattlemen's Beef Association strongly supports increasing funding for essential programs such as food safety research and cooperative extension, emerging animal disease research, the Market Access Program and the Grazing Lands Conservation Initiative.

In addition to these priorities, there are a number of the proposed amendments to this bill that have the potential to affect America's cattle producers. The National Cattlemen's Beef Association supports the following amendments to S. 2159:

Johnson (D–SD)/Craig (R–ID) amendment would require labeling of retail meat as either U.S. product or imported product. This provision addresses frustrations among U.S. producer who question why livestock imported into the U.S. for immediate slaughter are marketed as U.S. product. The proposed language is consistent with U.S. responsibilities and commitments to the General Agreement on Tariffs and Trade and the North American Free Trade Agreement. Consumers demand quality and consistency, and producers are continually working to meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make more informed purchases.

Hatch (R–UT) amendment would allow for the interstate shipment and sale of state inspected meat provided that the state inspection process meets or exceeds federal inspection standards. State-inspected beef, pork and poultry are the only food products banned from interstate distribution. This provision also provides an additional incentive for state inspected meat plants to implement Hazard Analysis and Critical Control Point (HACCP) methods. The time is right for Congress to address this unjust policy that discriminates against thousands of small business owners.

Lugar (R–IN) amendment and the Roberts (R–KS)/Robb (D–VA) amendment would require thorough evaluation of international trade sanction. International trade sanctions are stifling to beef export sales and the entire U.S. economy. While sanctions are sometimes necessary, these measures should undergo thorough scrutiny to ensure they are meeting their intended goals.

The nation's cattle industry opposes the following proposed amendments to S. 2159:

Daschle (D–SD) amendment dealing with mandatory live cattle price reporting, packer concentration, and nonemergency haying and grazing on Conservation Reserve Program acreage. These amendments are not fair and equitable to beef producers and many of these provisions are counter to our producers' policy.

Bryan/Reid (D–NV) amendment would eliminate funding for the $90 million Market Access Program (MAP). MAP is crucial to maintaining, developing and expanding agricultural export markets. Eliminating this program would be a huge step back for American agriculture.

Brownback (R–KS) amendment would seriously restrict the Agriculture Census. Data provided by the Agriculture Census is crucial to farmers and ranchers who need the best information available to make timely, informed decisions.

Leahy (D–VT)/Santorum (R–PA) amendment would cap the amount of money available to the Wetlands Reserve Program and earmark this savings for the Farmland Protection Program.

Daschle (D–SD) loan rate amendment, Baucus (D–MT) loan rate amendment and the Conrad/Dorgan (D–ND) indemnity payment amendment changes farm bill policies. The National Cattlemen's Beef Association strongly opposes any amendment that would significantly change ''Freedom to Farm'' policy.

Bennett (R–UT) amendment would prohibit the Commodities Futures Trading Commission's (CFTC) ability to regulate over-the-counter trades and derivatives. CFTC's ability to ensure open and accurate price discovery is paramount to beef producers.

On behalf of over one million beef producers from across the country, we appreciate your consideration of these issues that are crucial to America's cattle industry. If you have questions or you would like to discuss any of these issues further, please contact our office at (202) 347–0228.

Sincerely,

G. CHANDLER KEYS, III,
Vice President, Public Policy.

Mr. COCHRAN. Mr. President, the American Meat Institute points out in a letter to me that this amendment is not a good idea in a free economy, and you don't need a pilot program to learn that. It does not add information so much as it burdens industry and compromises legitimate business interests.

In the Department of Agriculture, there is opposition to the amendment. They say that it reports already 75 percent or more of the 40 to 50 percent of boxed beef sales that comply with the reporting criteria. The Department estimates that more than two-thirds of the live negotiated cattle sales are reported.

I might conclude by pointing out that no other segment of agriculture has to undergo mandatory reporting of all private business transactions. This

pilot program will only add more burden on the industry and it compromises legitimate business interests.

I suggest that the amendment should be defeated.

Several Senators addressed the Chair.

Mr. COCHRAN. It is my intention to move to table, but I will withhold the motion to table the Kerrey amendment and to ask for the yeas and nays.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, just so there is no mistake in here, the administration, the Department of Agriculture, strongly supports this amendment.

Again, let me remind my colleagues that this is a pilot project. It is an opportunity to see whether it works. We want to see the opportunity for price transparency. Let us know what the market price produces. Let's see what the prices are going to be to give and take between processors and producers. That is what this study is all about.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mrs. BOXER. The Senate is not in order, Mr. President.

Mr. LOTT. Mr. President, if the manager will withhold for a minute, this will be the last vote of the night. We hope to take up the Grassley amendment the first thing in the morning, with the first vote hopefully occurring at 10:30, although that has not been worked out. This will be the last vote of the night.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent that a copy of the letter from the American Meat Institute, the letter that I referred to, be printed in the RECORD.

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

AMERICAN MEAT INSTITUTE,
Washington, DC, June 18, 1998.

Hon. THAD COCHRAN,
U.S. Senate, Washington, DC.

DEAR THAD COCHRAN: Some Members who are concerned about USDA-reported market prices for meat may offer an amendment to the pending Agriculture, Rural Development, Food and Drug Administration Appropriations Bill that would establish a pilot program on mandatory price reporting. AMI strongly opposes such a program. I respectfully request that you raise a point of order opposing any attempt to amend the bill with a pilot price-reporting program.

As I testified in the June 10 Senate Agriculture Committee hearing, voluntary reporting by industry currently captures a significant share of what is happening in today's market. On the boxed beef side; for instance, USDA estimates it reports 75 percent or more of all boxed beef sales that comply with the department's reporting criteria. A similar reporting situation exists on the live cattle side, where USDA estimates it captures and reports on more than two-thirds of all negotiated sales.

Mandatory reporting of all private business transactions between parties does not exist in any other segment of agriculture. It is not a good idea in a free economy, and you don't need a pilot program to learn that. It does not add information so much as it burdens industry and compromises legitimate business interests. As you know, USDA reporting criteria are designed to enhance the reporting of information that is meaningful to the market.

Sincerely,

J. PATRICK BOYLE,
President, CEO.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, while it is true that the packers and many of the processing industry do not like the idea of having to disclose prices and bidding, you would be hard-pressed to find a single rancher or cattle feeder in the United States of America who opposes this amendment. This is a pilot program. It will make the market work better. There are only three packers in America controlling approximately 80 percent of the market today. That is why this amendment is needed.

I say to colleagues who want the free market to work and like the marketplace, go talk to your feeders. Go talk to the people who are out there ranching right now. They want to know what the prices are in order to get full price discovery so that they are able to know whether or not they are getting the best price for their product. It is true that the packing industry and many processors do not like this requirement. But, as I said, again you would be hard-pressed to find a single feed lot operator or rancher in America who will not support this change in law.

Mr. COCHRAN. Mr. President, the first letter that I read an excerpt from was from the American Cattlemen's Association. They represent all the beef cattlemen, many of them, throughout the country.

Mr. KERREY. Mr. President, that letter comes on behalf of people who are in the packing industry. I just tell colleagues that if you have ranchers or feed lot operators in your State, they support the change. There is a division in this particular association that comes as a consequence of packers being a part of this association. I don't object to the packers at all. I believe this change will enable them to be profitable. It doesn't shut them down at all. It merely says they have no surprise when they bid on the cattle in the marketplace.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. GRAMM. Mr. President, could we have order. This is a very important issue for people.

The PRESIDING OFFICER. We will have order in the body.

The Senator from Idaho.

Mr. CRAIG. Mr. President, the National Cattlemen's Beef Association does not represent the feeders. It represents the rank and file rancher, large and small, across our Nation. This letter says they oppose the amendment. It is very clearly, very clearly stated.

We developed a futures market not only to look at current but future prices. Most of the livestock industry today effectively operates off of that and the market trends.

Would I like to see more transparency? We all would like to see it. Does a government system and new government regulations dictating it cause it? The marketplace causes it. But this is a pilot program. Like it or not, it is new regulations in the process.

As a former rancher, as a former cattle feeder, I will tell you this is a new set of Government regulations that may resolve the question for a very small number of operators. But for the industry itself—large, small, packer, feeder, producer, cow-calf operator—this is not for what they are asking. I don't believe it is the effective way to do it. I hope you would support a motion to table.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I was going to move to table, but I understand the Senator from Montana wishes to speak.

Mr. BURNS. Mr. President, I just want to make one point. You have three packers that are handling 85 percent of the national cattle that are killed today. And they don't want to report the prices so that the people who produce calves and replacement cattle and feed cattle in the feed lots, the individual producers, or a small packer, can compete with them. It doesn't make sense. We have always reported those prices. And now, with a lot of packer-owned cattle moving in there, we get no information at all.

Let's look at this pilot program. Let's work with the postmarketing surveillance. We can come up with some way to report these prices so that we know what these cattle are worth all the way back to the ranch.

I urge the adoption of the amendment.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I want to say amen to the Senator from Montana.

Mr. COCHRAN. Mr. President, I move to table the amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. All time is yielded. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to lay on the table the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Mexico (Mr. BINGAMAN)

and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The result was announced—yeas 49, nays 49, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—49

Abraham	Faircloth	McCain
Allard	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Graham	Nickles
Bond	Gramm	Roberts
Breaux	Gregg	Roth
Brownback	Hatch	Sessions
Campbell	Helms	Shelby
Chafee	Hutchinson	Smith (NH)
Coats	Hutchison	Smith (OR)
Cochran	Inhofe	Snowe
Collins	Jeffords	Specter
Coverdell	Kempthorne	Thompson
Craig	Kyl	Thurmond
D'Amato	Lott	Warner
DeWine	Lugar	
Domenici	Mack	

NAYS—49

Akaka	Ford	Mikulski
Baucus	Grams	Moseley-Braun
Biden	Grassley	Moynihan
Boxer	Hagel	Murray
Bryan	Harkin	Reed
Bumpers	Hollings	Reid
Burns	Inouye	Robb
Byrd	Johnson	Rockefeller
Cleland	Kennedy	Santorum
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Stevens
Dodd	Kohl	Thomas
Dorgan	Landrieu	Torricelli
Durbin	Lautenberg	Wellstone
Enzi	Leahy	Wyden
Feingold	Levin	
Feinstein	Lieberman	

NOT VOTING—2

Bingaman	Glenn

The motion to lay on the table the amendment (No. 3161) was rejected.

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

Mr. KERREY. I move to table.

The motion to lay on the table was agreed to.

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3161) was agreed to.

Mr. KERREY. Mr. President, I move to reconsider the vote.

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

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the remaining amendments that we have identified to complete action on tonight were the Johnson amendment regarding meat labeling and the Graham amendment regarding disaster assistance. We are prepared to recommend that the Senate accept those amendments, along with other amendments that have been cleared by the two managers. I am prepared to ask unanimous consent that we accept those amendments en bloc, those that we have identified, and include statements in the RECORD describing the amendments.

Mr. President, Senator GRAHAM is here. We could do his amendment first. We are prepared to accept it, and then the other list of amendments we will do en bloc if there is no objection.

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

The Senator from Florida.

AMENDMENT NO. 3162

(Purpose: To appropriate funds for certain programs to provide assistance to agricultural producers for losses resulting from drought or fire)

Mr. GRAHAM. 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 Florida [Mr. GRAHAM], for himself and Mr. MACK, proposes an amendment numbered 3162.

Mr. COCHRAN. 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 29, after line 21, add the following:

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000; to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

Mr. GRAHAM. Mr. President, members of the Senate, today I join my colleague, Senator MACK, in offering an amendment to the Agriculture Appropriations bill that will provide much needed relief to agriculture in the State of Florida in the wake of the extreme drought and severe wildfires that have plagued our State in the last two months.

The fire crisis is the latest example of our State's meteorological reversal of fortune in 1998. Florida's hot summer temperatures are typically accompanied by afternoon thunderstorms and tropical weather. This year's heat and drought, and the lush undergrowth and foliage that sprung up in the wake of Florida's unusually wet winter, combine to fuel the fires that have put the State under a cloud of smoke and chased nearly 112,000 residents from their homes, 2,000 of them into emergency shelters.

These fires have had severe consequences. More than 220 homes, businesses, or buildings have been destroyed or heavily damaged. Nearly 100 individuals, mostly brave firefighters battling the blazes, have been injured. A 140-mile stretch of Interstate 95 was closed for several days. 458,000 acres of land have burned.

Florida has sustained almost $300 million in damage. In a step never before taken in Florida's long history with violent weath, every one of the 45,000 residents of Flagler County—a coastal area between Jacksonville and Daytona Beach—had to be evacuated from their homes over the Independence Day weekend.

On June 19, 1998, President Clinton declared all 67 Florida counties as a major disaster area and made them eligible for immediate federal financial assistance. In the weeks that followed that declaration, FEMA officials skillfully coordinated relief efforts and worked hard to channel additional aid to the hardest hit areas.

Both the fires and their original cause, the extreme drought throughout the state, have contributed to a drastic impact on Florida agriculture, particularly in the North and West areas of the State. 600,000 acres of summer crops were destroyed or severely damaged by the drought conditions. Hardest hit has been corn which has suffered a 100 percent low on about 80,000 acres and 50 percent yield loss on another 20,000 acres. Value of the lost corn crops as of June 22, 1998, was identified to be $20 million. Cotton, peanuts, soybeans, and watermelons have suffered 25 to 30 percent losses.

At the end of June, virtually none of the $60 million hay crop was harvested, causing the potential for a major shortage of winter feed even when the drought subsides.

In the Panhandle area, many of the 7,000 farmers are facing their third straight year of destructive weather conditions after tropical storms and hurricanes in 1996 and 1997. In this region alone, farmers have invested more than $100 million in borrowed money to plant this year's crop, only to find themselves with no prospect of harvest at this time.

In response to this dire situation, on July 9, 1998, Secretary Glickman declared the state of Florida to be an Agriculture Disaster area, making agriculture in Florida eligible for federal financial assistance.

This declaration makes Florida agriculture eligible for several Department of Agriculture programs including:

(1) the Emergency Loan Program which provides assistance to family farmers, ranchers, and aquaculture operators with loans to cover losses resulting from natural disasters.

(2) the Non-Insured Crop Disaster Assistance Program (NAP) which provides assistance to eligible owners of non-insured crops when a natural disaster causes a catastrophic loss of production; and

(3) the Emergency Conservation Program which provides assistance to farmers fro the purpose of performing emergency conservation measures to control wind erosion, to rehabilitate farmlands damaged by natural disasters, and to carry out emergency water conservation measures.

These programs will provide vital assistance to the Florida agriculture community. However, there are some needs of Florida in the wake of this disaster that are not addressed by existing programs.

First, in the area of forestry, we currently have almost 500,000 acres that were completely destroyed. To provide assistance for reforestation in this type of situation, the Department of Agriculture has created the Forestry Incentive Program which authorizes USDA to share up to 65% of the costs of tree planting, timber stand improvements, and related practices on nonindustrial private forest lands. In the state of Florida, there are over 7 million acres in this ownership class equal to 49% of our state's timberland. To support this need, Senator MACK and I have proposed an emergency appropriation of $9 million to be expended over the next 3 years to spur the rebirth of the Florida forests.

Second, in the area of livestock, the state of Florida is suffering in two ways. We have had a small number of livestock deaths and are experiencing a widespread food shortage due to drought and fire. To compensate livestock owners for livestock deaths attributable to the natural disaster, my colleague and I are requesting an emergency appropriation of $300,000 for the Livestock Indemnity Program. Many of you are familiar with this program as it has provided support for livestock casualties in many of your states. This program will provide benefits in the state of Florida to beef and dairy cattle, swine, goats, poultry, equine animals used for the production of food, and ostrich.

The need for livestock feed is a long-term issue that is affecting 32 counties with approximately 1,073,000 head of cattle, with severe problems with approximately 750,000 head. In the state of Florida, the majority of dairy and beef producers grow their own hay on individual farms for future use as cattle feed. The majority of these hays are seasonal, with a growing season spanning approximately 7 to 8 months. During the 2–3 months of severe flooding followed by severe drought and subsequent fire, approximately 1.5 million acres of pastureland has been completely destroyed, leaving approximately 1.1 million cattle with the threat of malnutrition leading to decreased dairy production and substandard beef production. Extension specialists estimate a need for 30 million pounds of roughage a day for Florida cows with only 15 million pounds per day available from current pasture production even with welcomed rains on part of the state. These producers desperately need assistance in order to provide adequate feed grain for their livestock.

The state of Florida is fortunate to have received approximately 170 truckloads of feed that have been donated from Oregon, Kentucky, Illinois, Virginia, Delaware and Maryland, although only 82 tons have been delivered to producers from South Carolina, Tennessee, and North Carolina due to lack of transportation. While this feed would provide a starting point for renourishment of livestock, there are no funds available to transport it.

To combat this situation, Senator MACK and I are introducing in this amendment a request for $10,000,000 for the Disaster Relief Assistance Program to be used in support of a livestock feed program providing reimbursement for feed purchase or transport for over 1.1 million head of cattle. Prior to 1996, the Emergency Feed Assistance Program was the primary user of the DRAP, providing 25,716,113 bushels between 1984 and 1996. This program was suspended by the 1996 Farm Bill.

Finally, we are requesting an additional $2,000,000 for the Emergency Conservation Program (ECP) in support specifically of conservation. For example, in the state, there are currently approximately 390 miles of destroyed fences in just 3 counties from fires resulting in potentially 12,000 cows roaming outside of home pasturelands.

Mr. President, and fellow members of Congress: I ask that you give full consideration to this amendment and the dire needs of agriculture in the state of Florida as we seek to recover from the devastating effects of this year's drought and fire.

Mr. President, unfortunately, the Nation and the world are aware of the very severe circumstances through which Florida has recently suffered and continues, fortunately in a less degree, to suffer, as a result of drought and severe wildfires. The purpose of this amendment is to restore various accounts within the U.S. Department of Agriculture that are intended to provide disaster assistance and makes that assistance available to those areas which have been designated, as of July 15, 1998, to be agricultural disaster areas.

I urge the adoption of this amendment on behalf of myself and my colleague, Senator MACK.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds.

It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters and that the President will soon submit to the Congress requests for supplemental funds which are determined to be required.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3162) was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENTS NOS. 3163 THROUGH 3170, EN BLOC

Mr. COCHRAN. Mr. President, the Senator from Arkansas and I have reviewed a number of amendments and have agreed to recommend the Senate accept them. I now ask unanimous consent the following amendments be considered en bloc, agreed to en bloc, the motions to reconsider be laid upon the table: An amendment of the Senator from Georgia, Mr. COVERDELL, on food safety research and E. coli; Senators DEWINE and HUTCHISON, a sense of the Senate on inhalants; Senators HARKIN and GRASSLEY on APHIS biocontainment facilities; Senator COCHRAN, a technical correction on conservation operations; Senators KEMPTHORNE and BAUCUS and others, secondary agriculture education, with a Kempthorne statement for the RECORD; an amendment for Senator BRYAN dealing with the Market Access Program report; another amendment in behalf of Senator GRAHAM of Florida and Senator MACK on the Mediterranean fruit fly; an amendment for Senator JOHNSON on meat labeling.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will report the amendments by number.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments Nos. 3163 through 3170, en bloc.

The PRESIDING OFFICER. Without objection, the amendments (Nos. 3163 through 3170), en bloc, are agreed to.

The amendments (Nos. 3163 through 3170) agreed to en bloc are as follows:

AMENDMENT NO. 3163

(Purpose: To earmark funding for the food safety competitive research program for research on E.coli: 0157H7)

On page 14, line 17 before the period, insert the following:

"; *Provided*, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

AMENDMENT NO. 3164

(Purpose: To require the Commissioner of Food and Drugs to conduct assessments and take other actions relating to the transition from use of chlorofluorocarbons in metered-dose inhalers, and for other purposes)

At the appropriate place in title VII, insert the following:

SEC. ___. METERED-DOSE INHALERS.

(a) FINDINGS.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the ''Montreal Protocol'') requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the ''proposal''); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

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

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments and the information contained in the comments FDA has received on the proposal the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

AMENDMENT NO. 3165

(Purpose: To provide for the construction of a Federal animal biosafety level-3 containment center)

On page 20, line 7, strike ''expended'' and insert: ''expended: *Provided*, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa''.

AMENDMENT NO. 3166

(Purpose: To provide additional funding for conservation operations)

On page 31, line 4, strike ''$638,231,000'' and insert in lieu thereof ''$638,664,000''.

AMENDMENT NO. 3167

(Purpose: To provide funding for a secondary agriculture education program, as authorized by the Federal Agriculture Improvement and Reform Act of 1996)

On page 14, line 5, after the semicolon, insert ''$1,000,000 for a secondary agriculture education program (7 U.S.C. 3152(h);''.

On page 14, line 17, strike ''$436,082,000'' and insert ''$437,082,000.''

On page 35, line 7, strike ''$703,601,000'' and insert ''$702,601,000.''

Mr. KEMPTHORNE. Mr. President, many of my colleagues have come to this floor today to talk about the state of American agriculture. Simply put, we are in a state of emergency.

Whether it be low commodity prices, lack of export markets or too many government restrictions, farmers are facing catastrophes from every angle. If we are truly going to take steps to fix this problem, and not just use short-term fixes, we must to examine and correct the alarming rate at which children are leaving the family farm in pursuit of other occupations.

Wilder, Idaho, is a small town in Idaho known for its fertile soil and exceptional growing conditions. Wilder is also the hometown of Idaho's distinguished governor, Phil Batt. In fact, Phil still lists his occupation as a farmer and can still be seen driving his pickup around the farm periodically. Wilder is also the home of the Churches—Tom and his son Mike. When Mike Church turned 18, he left for one of the most prestigious agriculture universities in the nation, Texas A&M, with the intention of getting his degree in agriculture economics and eventually returning to the land that his family has farmed for generations. Something happened to Mike while at A&M, he decided that he could not follow in his father's footsteps as a farmer. While studying agriculture balance sheets, Mike realized it was becoming more and more difficult for farmers across the country to break even, much less make a profit on their family farm.

It's not that Mike didn't want to farm, the fact is he had worked on the farm since he was a young boy. Mike felt that the future was bleak in farming and had witnessed the struggles that Idaho farmers faced every day on the family farm. It was based on these realizations that Mike decided there was more of a future in speculating the paper commodities as a stockbroker than growing the actual commodities as a farmer. Twenty or thirty years ago it was understood that a son, or sometimes a daughter, would take over the family farm. This is no longer the case.

If we are going to save the American family farm, we must start with the children who live on it. We must inspire the young people in our rural communities, like Wilder, to continue in the field of agriculture. Agriculture is not just about judging the weather anymore; the science of agriculture has become the cutting edge as we continue to compete against farmers in countries around the globe.

This amendment provides much needed funding to an area that can and will inspire those young people to continue in farming. The Agriculture Education Competitive Grants Program would fund a competitive grants program for school-based agricultural education at the high school and junior college levels of instruction. The program was authorized in the 1996 Farm Bill. Competitive grants targeted to school-based agricultural education would be used to enhance curricula, increase teacher competencies, promote the incorporation of agriscience and agribusiness education into other subject matter, like science and mathematics, and facilitate joint initiatives between secondary schools, 2-year postsecondary schools, and 4-year universities.

Most importantly, the program would encourage young people to pursue higher education in the food and agricultural sciences—something in which this country is currently making a failing grade.

Mr. President, we must find a way to keep talented young people like Mike Church in the classroom and on the farm. The agriculture competitive grants program is the first step in that direction. This a bipartisan effort. Senator CRAIG, Senator BAUCUS, Senator JOHNSON, Senator DORGAN, Senator THOMAS, and Senator FAIRCLOTH have all lent their cosponsorship to this amendment. It is through this bipartisan spirit that we can begin to bring the next generation of farmers back to the farm I thank my colleagues for joining in supporting my amendment to fund the Agricultural Education Competitive Grants Program.

AMENDMENT NO. 3168

(Purpose: To require the Secretary of Agriculture to submit to Congress a report concerning the market access program)

On page 67, after line 23, add the following:

SEC. 7. REPORT ON MARKET ACCESS PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A–94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program.

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries, controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional effort in sponsored results for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States submit an evaluation of the report to the committees specified in subsection (c).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

AMENDMENT NO. 3169

(Purpose: To provide additional funding for fruit fly exclusion and detection, with an offset)

On page 19, line 10, before the period, insert the following: ": *Provided further*, That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection''.

On page 19, line 23, strike ''$95,000,000'' and insert ''$93,000,000''.

Mr. GRAHAM. Mr. President, this amendment will increase by $2 million the funds available to the Animal and Plant Health Inspection Service in their battle against the Mediterranean Fruit Fly, or medfly. I am, unfortunately, all too familiar with the devastation caused by these tiny pests, and I am particularly concerned this year, because Florida has experienced an unusual number of medfly infestations.

In the past, medflies have caused significant damage to Florida fruit and vegetable crops. This year's infestation is particularly troubling, because it has occurred in the heart of Florida's citrus and tomato growing country. In Lake County, over 1,300 medflies have been detected since the end of April. In Manatee County, over 550 medflies have been detected since the first find in mid-May. In fact, just last week, a medfly was discovered in Highlands County, and as of today, over 100 new flies have been detected in this area.

Unless fully eradicated, the medfly has the potential to cause hundreds of millions of dollars in damage to Florida fruit and vegetable crops. In addition, medfly infestation provides our trading partners with a convenient reason to deny the entry of Florida fresh fruits and vegetables into their country. Florida's growers have spent a considerable amount of time and money in their efforts to gain access to important markets, like Mexico. Each time medflies are discovered in Florida, growers are forced to take a giant step backwards in their markets access efforts.

The eradication efforts themselves, through ground or aerial spraying and the release of sterile medflies, are also expensive, costing the State of Florida and the federal government over $20 million last year.

The funds provided by this amendment will enhance APHIS's efforts to exclude and detect the medfly. Funds will be utilized to increase trapping and detection activities, particularly in urban areas and near ports-of-entry, where the introduction of this pest is most likely. Increasing funds for this program will also help to reassure our trading partners that the U.S. is committed to medfly control, and will deter them from restricting the entry of citrus products and other important agricultural exports.

In conclusion, I would like to make it very clear that this is only the first step in a more comprensive strategy to address this critical problem. Because medflies commonly enter the United States via larval-infested fruit carried through ports-of-entry by travelers or by commercial fruit smugglers, I have asked the Department of Agriculture to undertake an immediate review of their inspection procedures at Florida ports-of-entry, in order to evaluate the effectiveness of the inspection process. The Department of Agriculture has indicated that this review will be completed within the next three to four months. The results of the review will provide us with a roadmap for future actions, including the appropriate funding levels for a fully effective inspection program. I look forward to working closely with the Chairman and Ranking member to find a more permanent solution to this critical problem.

On page 67, after line 23 add the following:

TITLE VIII—MEAT LABELING

SEC. 801. DEFINITIONS.

Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

''(w) BEEF.—The term 'beef'' means meat produced from cattle (including veal).

''(x) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

''(y) BEEF BLENDED WITH IMPORTED MEAT.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product that contains United States beef and any imported meat.

''(z) LAMB BLENDED WITH IMPORTED MEAT.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

''(aa) IMPORTED BEEF.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

''(bb) IMPORTED LAMB.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

''(cc) UNITED STATES BEEF.—

''(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States beef' does not include—

''(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

''(B) beef produced from imported carcasses;

''(C) imported beef trimmings; or

''(D) imported boxed beef.

''(dd) UNITED STATES LAMB.—

''(1) IN GENERAL.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States lamb' does not include—

''(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

''(B) lamb produced from an imported carcass;

''(C) imported lamb trimmings; or

''(D) imported boxed lamb.''.

SEC. 802. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) LABELING REQUIREMENT.—

(1) IN GENERAL.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

''(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

''(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

''(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).''.

(2) CONFORMING AMENDMENT.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: ''All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.''.

(b) GROUND OR PROCESSED BEEF AND LAMB.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

''(g) GROUND OR PROCESSED BEEF AND LAMB.—

''(1) VOLUNTARY LABELING.—Subject to paragraph (2), the Secretary shall provide by

regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(2) MANDATORY LABELING.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(B) APPLICATION.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.''.

(c) GROUND BEEF AND GROUND LAMB LABELING STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) COSTS AND RESPONSES.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 803. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, as I am sure my distinguished colleague, the Chairman of the Subcommittee, is aware, the Food and Drug Administration Modernization Act (FDAMA) included a significant provision related to FDA's review and approval of indirect food additives. For the benefit of my colleagues, these are products that are used for containers, wrappings and packaging of food products.

To ensure the safety of indirect food additives, these materials that touch or contain food, the Food and Drug Administration (FDA) must receive safety data submitted by the manufacturer. Often, FDA's process of evaluating these data has been extremely lengthy and has worked to delay the market availability of new and improved products. As a result, many companies have chosen simply not to bring new products to market, thus depriving the public of improvements in products and technology.

In order to address this concern, a provision was included in FDAMA which requires the FDA to establish a new and expedited new product notification and review process that will substantially improve the situation for manufacturers of indirect food additives and thus the consumers of packaged food products. However, under section 309 of FDAMA, the provision will only become effective if the FDA receives an appropriation of $1.5 million for FY 1999. Subject to this new appropriation, FDA would be required to set the program in motion by April 1, 1999.

I am aware that the House mark does include funding for the indirect food additive pre-market notification program, but at a level of $500,000. While this certainly indicates the intention and willingness of the House to fund the program, unfortunately the amount is not sufficient to meet the specific requirements of FDAMA.

I am extremely mindful of the tight allocation under which S. 2159 was crafted, and I recognize that it was not an easy task to bring this bill forward today. I am very grateful for the Subcommittee's efforts under the leadership of Chairman COCHRAN. At the same time, I hope the Chairman will agree with me that funding of this important FDA reform is critically important and that the conferees will try to work this out so that the new program can be implemented next year.

Mr. COCHRAN: The Committee was mindful of this problem, and, in fact, included report language indicating its awareness of the need to implement the premarket notification provisions in order to spur innovation of new and improved food packaging materials. As you said, we are operating under a very tight allocation, but we will do our best to try to work this out.

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

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

The Senator from Mississippi.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each.

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

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

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

CONGRESS NEEDS TO ACT ON ENCRYPTION LEGISLATION

Mr. LOTT. Mr. President, I rise to commend the continuing efforts of America's computer industry to find a technical solution to the encryption issue. On Monday, July 13, a consortium of thirteen high-tech companies announced an alternative to the Administration's proposed key escrow/third party access system. As you will recall, many computer and security exports have stated that key escrow would be an invasion of privacy, technically unworkable, and cost prohibitive.

Unlike the key recovery system advocated by the Administration, industry's ''private doorbells'' approach would not require sensitive encryption keys to be escrowed with third parties in order for law enforcement to gain access to computer messages. Instead, the FBI and other federal, state, and local agencies would be able to combat crime by being provided with court approved, real-time access to communiques at the point where they are sent or at the point where the message is received. Clearly, high-tech executives have not been sitting on the sidelines as the encryption debate continues. As this announcement indicates, the computer industry is working hard to find a balanced solution that ensures the needs of our law enforcement and national security communities while maintaining privacy protections for all U.S. citizens. We owe it to them, and to all Americans, to find a balanced legislative solution to encryption.

Mr. LEAHY. Mr. President, I would also like to applaud the computer industry's efforts to find alternative technical solutions to help law enforcement with the challenge of encrypted data and communications without the need to establish a government-mandated key escrow or key recovery scheme. With the appropriate privacy safeguards in place, as outlined in the E-PRIVACY bill, S.2067, the solution that the companies are proposing appears encouraging. American companies are desperate for a common sense approach to our export policy on encryption. As you are well aware, the Administration, starting with Clipper Chip, has been wedded to key escrow schemes to ensure that the FBI can get access to plaintext, or unscrambled electronic data. This path has been pursued despite the serious questions that experts have raised about the costs, privacy risks and lack of consumer interest in such schemes. As

U.S. companies watch their market share for computer hardware and software products erode because of our country's outdated export controls on encryption, it is imperative that the Administration direct the FBI to consider creative alternatives to key escrow.

Mr. CRAIG. The recent announcement by several leading companies in the computer industry makes it clear that, in addressing both economic and law enforcement concerns, it is important to find a balance between the two. We must create legislation that addresses consumer demand for encrypted products while also meeting the needs of law enforcement—legislation that fosters a global marketplace dominated by U.S. encryption products. Those products, of course, will be a great benefit to our national security.

Mr. BURNS. Industry's plan to allow law enforcement access to the plaintext of some encrypted communications demonstrates that market solutions can truly address many areas of law enforcement's concerns with encryption. At the same time, we should not forget that there is a continuing need for legislative privacy protections governing how and when law enforcement should have access to encrypted data.

Mr. LEAHY. I agree, the announcement by the high-tech companies of alternative means of access to plaintext to encrypted data demonstrates industry's commitment to find solutions that accommodate law enforcement interests. It also reiterates the need for privacy protection legislation to ensure that law enforcement only gets such access with a proper court order. The E-PRIVACY bill, S. 2067, which I have sponsored with Senator ASHCROFT, and others, would provide that privacy protection.

Mr. BURNS. Yes, these recent developments continue to highlight the desperate need for a change in U.S. encryption policy. Last week the Administration announced it would make exceptions in encryption export policy allowing banks and certain financial institutions to export strong encryption, without vulnerable key recovery systems, to their subsidiaries in a select group of 40 countries. This is a welcome development for those companies that will qualify for this narrow exception but it does not provide the same protection of online privacy for everyday Americans.

Mr. LOTT. Americans want and need strong encryption to protect their most sensitive data and communications from unauthorized access. Yet the Administration continues to pursue an encryption policy that limits exports, requires key recovery backdoors for law enforcement, and ultimately stifles American innovation. Instead of keeping technology out of the hands of criminals, continuing export controls will only ensure that U.S. citizens have less protection than other computer users throughout the globe. The financial institutions announcement confirms what many in Congress have been saying for some time: users of electronic commerce will be best served by providing relief from current export control regulations. Allowing advanced encryption to be exported ensures that sensitive data is protected while helping American companies compete globally. Individual consumers, as well as multinational financial institutions, will not buy and will not use encryption systems when government mandated recovery keys for these products are provided to third parties. This system, as many experts have reported, creates a host of security risks, making our online communications vulnerable to attack by thieves, hackers and other criminals.

Mr. CRAIG. From an economic standpoint, foreign companies are winning an increasing number of contracts because consumers are unwilling to buy products that ensure third party access or require that keys be stored with government certified or operated facilities. This is particularly true since they can buy stronger encryption overseas from either foreign-owned companies or American owned companies on foreign soil. We must act quickly and prudently in addressing this problem.

Mr. ASHCROFT. Mr. President, for several years we have debated, argued and discussed the real economic impact of continuing to follow the Administration's wrong-headed policy on encryption. In addition to the Administration, several members of Congress on both sides of the aisle have refused to consider many of the facts of encryption technology and the importance of the technology sector to our robust economy. After all these years, we have an historical opportunity to debate encryption on the floor of the U.S. Senate.

Mr. CRAIG. I agree. With the rapid expansion of the ''super highway'' and Internet commerce, it is crucial we bring encryption legislation to the forefront. A secure, private and trusted national global information infrastructure is essential to promote citizens' privacy and economic growth.

Mr. LEAHY. Encryption technology is not only a critical tool for protecting the confidentiality of our online communications and the privacy of our stored electronic information, it is also the building block for digital signatures. The future of electronic commerce requires that parties conducting business online be able to trust the authenticity of the contracts they enter and that the parties with whom they are dealing are who they say they are. In fact, a number of States, including my own State of Vermont, are making progress on crafting the rules for digital signatures and online commercial transactions.

Mr. BURNS. Encryption is also an essential part of new ''digital signature'' techniques used to identify parties and authenticate transactions online. These techniques are widely viewed as an essential feature of electronic commerce. The use of digital signatures raises complex business and privacy issues, but these issues are completely separate from the questions raised by encryption used for confidentiality. There is a great deal of ongoing activity in the private sector and at the state level attempting to sort out these complex issues of business use and consumer protection. Federal digital signature legislation is clearly needed, but should be dealt with separately from encryption reform legislation.

Mr. ASCHROFT. As in everything regarding the topic of encryption, we face some decisions and difficulties. Some would like to weigh down the already contentious issue of encryption with other unrelated issues, such as digital signatures. Now, at first blush, many may believe that these two issues are fundamentally tied, or that one necessarily raises the other. However, this is not true. While digital signature products may use some sort of encryption, they are not encryption. The potential debate on federal level digital signature legislation is a worthy debate, the nuances of what potential legislation may look like are many, and the differences in arguments regarding digital signatures and encryption are great.

Mr. LEAHY. These are important issues that can and should be addressed separately from the immediate need for encryption legislation that protects privacy and confidentiality.

Mr. ASHCROFT. I have heard that some object to even allowing for encryption and digital signature legislation to reside in different pieces of legislation, even if both were brought to the floor. They express their concern that without the inclusion of digital signatures that public networks cannot be adequately secure. This argument gives me great pause, mainly because it demonstrates a fundamental misconception of a digital signature. A digital signature does not secure the network but rather secures the signature. Applying the same logic to the analog world would dictate that contracts could not be written until we could adequately solve for the potential of forgeries. Obviously, we have not taken this approach yet individuals enter into millions of contracts every year.

Mr. LEAHY. While digital signature legislation at the Federal level may help encourage the development of online commercial transaction rules, we must be careful not to stifle the development of efficient and inexpensive digital signature services by prematurely regulating —or granting Federal agencies unfettered authority to regulate—in this area. We must particularly avoid creating a federal system for digital signatures that will become the national i.d. card for cyberspace. The Administration in its ''Framework for Global Electronic Commerce'' got it right when it said that ''participants in the marketplace—including consumers, business,

financial institutions, and on-line service providers—should define and articulate most of the rules that will govern electronic commerce.''

Mr. ASHCROFT. All that said, encryption and digital signatures do not and should not be joined in the same legislation. The opportunity we have before us is to bring the encryption debate into the open and to pass legislation that adequately addresses the concerns of law enforcement, national security, privacy, and system security.

Mr. ABRAHAM. At the same time, we have the opportunity to affect real growth in digital signature technologies by addressing digital signature as a separate piece of legislation during this Congress. We should not allow differences in encryption policy to stifle innovation and improvements in this exciting technology. Digital signature is crucial to ensuring the continued dynamic growth of electronic commerce in this country. Many in Congress recognize this, industry recognizes this, and the Administration agrees.

Mr. CRAIG. In order to pass legislation in a timely manner it is important that it be in a clean bill with only the most essential language related to encryption; language that seeks to protect individual privacy, while at the same time addressing national security and law enforcement concerns.

Mr. SHELBY. Mr. President, I rise because I have concerns about efforts to ease or remove export restrictions on certain hardware and software encryption products. Export controls on encryption and on other products serve a clearly defined purpose—to protect our nation's security. The Intelligence Committee believes that the effects on U.S. national security must be the paramount concern when considering any proposed change to encryption export policy, and the Committee will seek referral of any legislation regarding encryption export policy under its jurisdiction established under Senate Resolution 400. With our on-going investigation into the possible technology transfers to China, the Vice Chairman and I are also concerned that any effort to change U.S. export policy on encryption be consistent with the export policy review included in our investigation.

Export restrictions on encryption products assist the Intelligence Community in its signals intelligence mission. By collecting and analyzing signals intelligence, U.S. intelligence agencies seek to understand the policies, intentions, and plans of foreign state and nonstate actors. Signals intelligence plays an important role in the formation of American foreign and defense policy. It is also a significant factor in the U.S. efforts to protect its citizens and armed forces against terrorism, the proliferation of weapons of mass destruction, narcotics trafficking, international crime and other threats to our nation's security.

While the Committee recognizes the commercial interest in easing or removing export restrictions, it believes the safety of our citizens and armed forces should be the predominant concern when considering U.S. policy towards the export of any product. The Committee supports the continued control of encryption products, and believes that a comprehensive strategy on encryption export policy can be developed that addresses national security concerns as well as the promotion of American commercial interests abroad.

I look forward to working with Senator LOTT and others as legislation moves through the Senate.

Mr. ASHCROFT. The bottom line to all of this is that we can move encryption legislation in this Congress, with the support of the majority leader. To hold up this progress works against national security, works against support of our law enforcement and erodes individual's privacy protections. We should all diligently work to craft an encryption bill that can come to the floor this session.

Mr. LOTT. I agree with my colleagues. While I strongly support the passage of legislation on both encryption and on digital signatures, I am convinced that the best approach during this session is to deal with these matters in separate bills. Let me say again, that in order to pass legislation on both of these issues during this Congress, we must recognize that there are significant differences between these important and complex policy issues. Digital signature and certificate authority have appeared in various proposals in association with encryption. However, these matters need to be considered separately because they raise different questions and complications.

A digital signature is a technical method for authenticating the identity of a sender or author.

As its name implies, it is a digital version of a person's written signature. Encryption is a means to ensure confidentiality. It is a set of algorithms used to scramble and unscramble text in order to keep unauthorized person's from reading your computer data and messages. It is a technology that protects medical, business, and individual files from invasion. Again, encryption for confidentiality, and digital signatures for authentication and related certificate authorities, are not the same issue. Dealing with encryption and digital signatures in one piece of legislation could lead to the demise of such a weighted bill. Consequently, I am prepared and committed to moving separate bills dealing with these issues during this session. I urge my colleagues to support this dual track approach as my colleagues have recommended. I share the belief that this is the best chance for legislation to be passed in both of these areas during the 105th Congress.

Congress needs to stop debating these issues and enact balanced legislation that will ensure the privacy rights of individuals while protecting America's public safety, economic, and national security interests.

Mr. BURNS. I commend the Majority Leader and Senators LEAHY, CRAIG, ASHCROFT, ABRAHAM, and SHELBY for their continuing hard work and vision on these difficult but critical issues. I hope we will be able to move forward legislatively on both encryption reform and digital signatures this session.

HAPPY BIRTHDAY, MAX FISHER

Mr. LOTT. Mr. President, I am always reluctant to add another national holiday to our calendar, but were we to do so, then July 15 would be a good bet. For today is Max Fisher's birthday.

In fact, it is his 90th birthday. But longevity, important as it is, is the least of his accomplishments.

Many of our colleagues, from both sides of the aisle, know Max very well. He has long been one of the most prominent and influential leaders in the American Jewish community.

He has advised every Republican President since Richard Nixon. He has advised every Israeli Prime Minister since Golda Meir. He was a critical force behind the airlift that helped save Israel in the darkest days of the 1973 Yom Kippur War.

The great work of his life has been building bridges between Israel and the United States. But that is only one of many reasons to honor him.

Max is one of our Nation's greatest philanthropists. He played a vital role in his home city of Detroit after the tragic riots of 1967 by promoting reconciliation and economic opportunity. He continues in that effort today.

No one will ever know how many people have benefited from his quiet generosity.

Max, of course, would prefer the term social responsibility. Whatever the words, the meaning is the same, and so is the inspiration. As the Book of Proverbs teaches, ''He who is gracious to the poor lends to the Lord.''

Ten years ago, when Max celebrated his eightieth birthday, accolades came in from around the world. President Reagan called him ''a legend.''

Today, ten years later, the legend continues to build. He still works quietly, behind the scenes.

It is no coincidence that his biography is entitled, ''The Quiet Diplomat.'' That book documents what all of his friends and admirers know so well: His dedication to the cause of peace, his energy in the cause of justice, his wisdom and effectiveness in working for a better world.

At some point, with a man like Max, we run out of accolades. He has heard them all—and probably been impressed by none of them.

His eye is always on the future: What remains to be done, what is still to be built, what has not yet been set right.

In that spirit, on behalf of the Senate of the United States, I want to wish

him yet another Happy Birthday, in the full realization that these ninety years have been as much a blessing to us and to the Nation as they have been to him and to his family.

To Max from America: Mazel tov, and God bless.

DESERT CHORALE

Mr. REID. Mr. President, I rise today to pay tribute to a Las Vegas institution. No, I am not referring to the ''Strip'' and the neon lights, but to a cultural organization that has provided Las Vegans many years of enjoyment, the Desert Chorale. I have had the pleasure of listening to their incredible range of talent for the past 16 years. This spectacular choir made up of volunteers has provided Nevada music lovers countless hours of enjoyment. While Las Vegas and Southern Nevada may be known for big head-liners like Siegfried and Roy, Liberace and Elvis, I can personally attest that thousands of Nevadans have flocked the Desert Chorale's concerts over the years. From the patriotic to the spiritually uplifting, the sheer beauty of the music they make touches and inspires their audiences.

Now, this great choir from the Silver State will be sharing their talent with a slice of the world audience. The Desert Chorale has been recognized for their musical achievements and have been invited to participate in the Boris Brott Music Festival in Canada. The festival is entering into it's twelfth year and their contributions to Canada's and the world's cultural scene has been highly praised. Not only does the choir have the honor of being invited to this festival, but they were also chosen as the first musical organization of its kind to represent the Western United States. I stand here on behalf of the great state of Nevada, as that state's senior senator, and the United States of America, to congratulate the Desert Chorale on taking part in this prestigious tradition. The Desert Chorale will be an excellent addition to the festival. I am confident from the previous performances I have attended, that they will do a superb job in representing the great heritage of both the state of Nevada and the United States of America.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 15, 1998, the federal debt stood at $5,530,848,048,686.17 (Five trillion, five hundred thirty billion, eight hundred forty-eight million, forty-eight thousand, six hundred eighty-six dollars and seventeen cents).

One year ago, July 15, 1997, the federal debt stood at $5,355,394,000,000 (Five trillion, three hundred fifty-five billion, three hundred ninety-four million).

Five years ago, July 15, 1993, the federal debt stood at $4,336,912,000,000 (Four trillion, three hundred thirty-six billion, nine hundred twelve million).

Ten years ago, July 15, 1988, the federal debt stood at $2,550,628,000,000 (Two trillion, five hundred fifty billion, six hundred twenty-eight million).

Fifteen years ago, July 15, 1983, the federal debt stood at $1,330,290,000,000 (One trillion, three hundred thirty billion, two hundred ninety million) which reflects a debt increase of more than $4 trillion—$4,200,558,048,686.17 (Four trillion, two hundred billion, five hundred fifty-eight million, forty-eight thousand, six hundred eighty-six dollars and seventeen cents) during the past 15 years.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on July 14, 1998, during the adjournment of the Senate, received a message from the House of Representatives announcing that Speaker has signed the following enrolled bill:

S. 2282. An act to amend the Arms Export Control Act, and for other purposes.

Under the authority of the order of the Senate of January 7, 1997, the enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MESSAGES FROM THE HOUSE

At 6:40 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2379. An act to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the ''Hiram H. Ward Federal Building and United States Courthouse.''

H.R. 2544. An act to improve the ability of Federal agencies to license federally owned inventions.

H.R. 3223. An act to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the ''J.J. 'Jake' Pickle Federal Building.''

H.R. 3453. An act to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the ''Dick Cheney Federal Building.''

H.R. 4164. An act to amend title 28, United States Code, with respect to the enforcement of child custody and visitation orders.

The message also announced that the House has the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 318. An act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 1273) to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

The message also announced the House agrees to the amendment of the Senate to the bill (H.R. 2870) to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forest through debt reduction with developing countries with tropical forests.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2379. An act to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the ''Hiram H. Ward Federal Building and United States Courthouse''; to the Committee on Environment and Public Works.

H.R. 2544. An act to improve the ability of Federal agencies to license federally owned inventions; to the Committee on Commerce, Science, and Transportation.

H.R. 3223. An act to designate the Federal building located at 3000 East 8th Street in Austin, Texas, as the ''J.J. 'Jake' Pickle Federal Building''; to the Committee on Environment and Public Works.

H.R. 3453. An act to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the ''Dick Cheney Federal Building''; to the Committee on Environment and Public Works.

H.R. 4164. An act to amend title 28, United States Code, with respect to the enforcement of child custody and visitation orders; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on July 14, 1998, he had presented to the President of the United States, the following enrolled bill:

S. 2282. An act to amend the Arms Export Control Act, and for other purposes.

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–506. A resolution adopted by the Council of the City of North Miami Beach, Florida relative to the renaming of the Everglades National Park; to the Committee on Energy and Natural Resources.

POM–507. A resolution adopted by the Council of the City of Ann Arbor, Michigan relative to global warming; to the Committee on Environment and Public Works.

POM–508. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION NO. 101

Whereas, the business meal deduction is one hundred percent legitimate business expense and should be a one hundred percent legitimate deduction; and

Whereas, two-thirds of business meal deduction users make less than sixty thousand dollars in income per year; and

Whereas, seventy percent of such business meal users typically use low to moderately priced restaurants for business lunches; and

Whereas, restoring the business meal deduction was the number two priority of the one thousand six hundred business delegates

at the last White House Conference on Small Business; and

Whereas, one-fifth of business meal users are self-employed people; and

Whereas, small business owners rely more heavily on the one-on-one relationship offered by a business meal, more so than large corporations with an advertising budget and marketing staff. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the United States Congress to take such actions as are necessary to restore the legitimate expense of the business meal to one hundred percent deductibility. Be it further

Resolved, That the Legislature of Louisiana strongly urges the governor of Louisiana and the governors and legislatures of other states to also communicate to the United States Congress that the business meal is a legitimate expense which must be restored to one hundred percent deductibility. Be it further

Resolved, That copies of this Resolution be transmitted to the presiding officers of the United States Senate and the House of Representatives and to each member of the United States Congress, and to the governors and appropriate officers of the legislatures of all of the states.

POM–509. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION NO. 123

Whereas, Arcadia, Louisiana, has been notified by the United States Postal Service that the Postal Service is considering the option of relocating the downtown post office in Arcadia; and

Whereas, the downtown post office in Arcadia has been serving the needs of residents for over sixty years; and

Whereas, in June of 1997, by unanimous vote of the Arcadia Town Council, the downtown district of Arcadia was declared an historic downtown district; and

Whereas, the downtown post office in Arcadia plays an important role in the downtown area and is needed for ongoing revitalization of that area; and

Whereas, there are other options available besides relocation of the downtown post office, including modernization of the existing downtown post office building and development of carrier substations; and

Whereas, such other options should be given close and serious consideration by Congress and the United States Postal Service in lieu of relocation of the downtown post office in Arcadia. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the United States Congress and United States Postal Service to take such actions as are necessary to have other options in lieu of relocation considered for the downtown post office in Arcadia, Louisiana. Be if further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America, each member of the Louisiana congressional delegation, the Postmaster General of the United States, and to the mayor of Arcadia, Louisiana.

POM–510. A joint resolution adopted by Legislature of the State of California; to the Committee on Finance.

ASSEMBLY JOINT RESOLUTION NO. 51

Whereas, the 1998–99 Governor's budget includes $85 million, beginning with the 1998–99 fiscal year, that is predicated on the assumption that the United States Congress will act to establish a program under which the Internal Revenue Service and the United States Treasury Department may offset or withhold a federal tax refund to satisfy legally enforceable, past due state income tax obligations; and

Whereas, there are currently 31 states, including California, and the District of Columbia, that offset state income tax refunds to satisfy delinquent federal tax obligations under a cooperative arrangement between the state tax agency and the Internal Revenue Service; and

Whereas, California has been participating in the state offset arrangement since January 1991 and collected $27.5 million during the 1995–96 fiscal year and $28 million during the 1996–97 fiscal year and will collect $29 million during the 1997–98 fiscal year for the federal government; and

Whereas, permitting federal refunds to be offset for state income tax debts would further existing cooperative efforts between the Internal Revenue Service and state taxing agencies and would be an effective method of collecting delinquent debts owed to the states; and

Whereas, according to the Federation of Tax Administrators, a reciprocal tax program at the federal level would increase state receipts by an estimated $200 million annually in the early years of implementation. Of this amount, it is estimated that California would receive revenue in the range of $85 million annually; and

Whereas, a reciprocal program could also benefit federal receipts because it would likely lead the remaining 10 income tax states to participate in the program; and

Whereas, H.R. No. 1730, a measure authored by Congresswoman Nancy Johnson (D-Connecticut), is currently being considered by Congress; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to establish a program to offset or withhold federal tax refunds to satisfy legally enforceable, past due state income tax obligations; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Acting Commissioner of the Internal Revenue Service; and to the Secretary of the Treasury.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SHELBY, from the Committee on Appropriations, without amendment:

S. 2307. An original bill making appropriation for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105–249).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

S. 2176. A bill to amend sections 3345 through 3349 of title 5, United States Code (commonly referred to as the ''Vacancies Act'') to clarify statutory requirements relating to vacancies in and appointments to certain Federal offices, and for other purposes (Rept. No. 105–250).

By Mr. CAMPBELL, from the Committee on Appropriations, without amendment:

S. 2312. 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, 1999, and for other purposes (Rept. No. 105–251).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Jacob Joseph Lew, of New York, to be Director of the Office of Management and Budget.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SHELBY, from the Select Committee on Intelligence:

L. Britt Snider, of Virginia, to be Inspector General, Central Intelligence Agency.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 2307. An original bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. JOHNSON, Mr. GRASSLEY, Mr. HARKIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 2308. A bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the medicaid program; to the Committee on Finance.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2309. A bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 2310. A bill to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the ''Jerome Anthony Ambro, Jr. Post Office Building''; to the Committee on Governmental Affairs.

By Mr. KOHL (for himself and Mr. SESSIONS):

S. 2311. A bill to amend section 201 of title 18, United States Code, to increase prosecutorial effectiveness and enhance public safety, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMPBELL:

S. 2312. 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, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GREGG (for himself, Mr. BREAUX, Mr. THOMPSON, Mr. ROBB, Mr. THOMAS, and Mr. COATS):

S. 2313. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer social security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

By Mr. LEAHY:

S. 2314. A bill to clarify that prosecutors and other public officials acting in the performance of their official duties may enter into cooperation agreements and make other commitments, assurances, and promises, as provided by law in consideration of truthful testimony; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. D'AMATO, and Mr. FORD):

S. 2315. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and titles XVIII and XIX of the Social Security Act to require that group and individual health insurance coverage and group health plans and managed care plans under the medicare and medicaid programs provide coverage for hospital lengths of stay as determined by the attending health care provider in consultation with the patient; to the Committee on Labor and Human Resources.

By Mr. MCCONNELL (for himself and Mr. DEWINE):

S. 2316. A bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. JOHNSON, Mr. GRASSLEY, Mr. HARKIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 2308. A bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the Medicaid Program; to the Committee on Finance.

NURSING HOME PATIENT PROTECTION ACT

Mr. GRAHAM. Mr. President, I rise today, along with Senators CHAFEE, JOHNSON, GRASSLEY, HARKIN, HOLLINGS, and INOUYE to introduce the Nursing Home Patient Protection Act—legislation to protect our nation's seniors from indiscriminate patient dumping. This bill modifies the original legislation to include several simple changes to alleviate the concerns of the nursing home industry and senior citizen advocates. It is with their support that we encourage the Senate to take action on this important piece of legislation. I have also included the following letters of support from the American Home Care Association and the National Seniors Law Center.

A few months ago, it looked like 93-year old Adela Mongiovi might have to spend her 61st Mother's Day away from the assisted living facility that she has called home for the last four years.

At least that's what son Nelson and daughter-in-law Gina feared when officials at the Rehabilitation and Healthcare Center of Tampa told them that their Alzheimer's Disease-afflicted mother would have to be relocated so that the nursing home could complete ''renovations.''

As the Mongiovis told me when I met with them and visited their mother in Tampa last March, the real story far exceeded their worst fears. The supposedly temporary relocation was actually a permanent eviction of all 52 residents whose housing and care were paid for by the Medicaid program.

The nursing home chain which owns the Tampa facility and several others across the United States wanted to purge its nursing homes of Medicaid residents, ostensibly to take more private insurance payers and Medicare beneficiaries which pay more per resident.

This may have been a good financial decision in the short run, however, its effects on our nation's senior citizens, if practiced on a widespread basis, would be even more disastrous.

In an April 7, 1998 Wall Street Journal article, several nursing home executives argued that state governments and Congress are to blame for these evictions because they have set Medicaid reimbursement rates too low.

While Medicaid payments to nursing homes may need to be revised, playing Russian roulette with elderly patients' lives is hardly the way to send that message to Congress. And while I am willing to engage in a discussion as to the equity of nursing home reimbursement rates, I and my colleagues are not willing to allow nursing facilities to dump patients indiscriminately.

The fact that some nursing home companies are willing to sacrifice elderly Americans for the sake of their bottom-line is bad enough. What's even worse is their attempt to evade blame for Medicaid evictions.

The starkest evidence of this shirking of responsibility is found in the shell game many companies play to justify evictions. Current law allows nursing homes to discharge patients for inability to pay.

If a facility decreases its number of Medicaid beds, the state and federal governments are no longer allowed to pay the affected residents' bills. They can then be conveniently and unceremoniously dumped for—you guessed it—their inability to pay.

Evictions of nursing home residents have a devastating effect on the health and well-being of some of society's most vulnerable members.

A recent University of Southern California study indicated that those who are uprooted from their homes undergo a phenomenon known as ''transfer trauma.'' For these seniors, the consequences are stark. The death rate among these seniors is two to three times higher than that for individuals who receive continuous care.

Those of us who believe that our mothers, fathers, and grandparents are safe because Medicaid affects only low-income Americans, we need to think again.

A three-year stay in a nursing home can cost upwards of $125,000. As a result, nearly half of all nursing home residents who enter as privately-paying patients exhaust their personal savings and lose health insurance coverage during their stay. Medicaid becomes many retirees' last refuge of financial support.

On April 10, the Florida Medicaid Bureau responded to evidence of Medicaid dumping in Tampa by levying a steep, $260,000 fine against the Tampa nursing home. That was a strong and appropriate action, but it was only a partial solution. Medicaid funding is a shared responsibility of states and the federal government.

And while the most egregious incident occurred in Florida, Medicaid dumping is not just a Florida problem. While nursing homes were once locally-run and family-owned, they are increasingly administered by multi-state, multi-facility corporations that have the power to affect seniors across the United States.

Mr. President, let me also point out that the large majority of nursing homes in America treat their residents well and are responsible community citizens. Our bill is designed solely to prevent potential future abuses by bad actors.

And this new bill is better, simple and fair. It would prohibit current Medicaid beneficiaries or those who ''spend down'' to Medicaid from being evicted from their homes. And that is a crucial point, Mr. President.

Adela Mongiovi is not just a ''beneficiary.'' She is also a mother and grandmother. And to Adela Mongiovi, the Rehabilitation and Health Care Center of Tampa is not an ''assisted living facility.'' To Adela Mongiovi—this is home.

This is the place where she wants—and deserves—like all seniors—to live the rest of her life with the security of knowing that she will not be evicted. And through passage of this bill, Mr. President, we can provide that security to Adela Mongiovi and all of our nation's seniors.

Mr. President, I ask unanimous consent that letters in support of the legislation be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN HEALTH CARE ASSOCIATION,
Washington, DC, June 11, 1998.

Hon. BOB GRAHAM,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: I am writing to lend the support of the American Health Care Association to your legislation which helps to ensure a secure environment for residents of nursing facilities which withdraw from the Medicaid program. Understand you will be filing this legislation in the next few days.

We know firsthand that a nursing facility is one's home, and we strive to make sure residents are healthy and secure in their home. We strongly support the clarifications your bill will provide to both current and future nursing facility residents, and do not

believe residents should be discharged because of inadequacies in the Medicaid program.

This bill addresses a troubling symptom of what could be a much larger problem. The desire to end participation in the Medicaid program is a result of the unwillingness of some states to adequately fund the quality of care that residents expect and deserve. Thus, some providers may opt out of the program to maintain a higher level of quality than is possible when relying on inadequate Medicaid rates. Nursing home residents should not be the victims of the inadequacies of their state's Medicaid program.

In 1996, the Congress voted to retain all standards for nursing facilities. We support those standards. In 1997, Congress voted separately to eliminate requirements that states pay for those standards. These two issues are inextricably linked, and must be considered together. Importantly, your legislation mandates the Department of Health and Human Services study the link between payment and the ability to provide quality care. We welcome the opportunity to have this debate as Congress moves forward on this issue.

Again, we appreciate the chance to work with you to provide our residents with quality care in a home-like setting that is safe and secure. We also feel that it would be most effective when considered in the context of the relationship between payment and quality and access to care.

Finally, we greatly appreciate the inclusive manner in which this legislation was crafted, and strengthened. When the views of consumers, providers, and regulators are considered together, the result, as with your bill, is intelligent public policy.

Sincerely yours,

Dr. PAUL R. WILLGING,
Executive Vice President.

NATIONAL SENIOR CITIZENS,
LAW CENTER,
Washington, DC, June 26, 1998.

Senator BOB GRAHAM,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: Earlier this year, the Vencor Corporation began to implement a policy of withdrawing its nursing facilities from participation in the Medicaid program. The abrupt, involuntary transfer of large numbers of Medicaid residents followed. Although Vencor reversed its policy, in light of Congressional concern, state agency action, and adverse publicity, the situation highlighted an issue in need of a federal legislative solution—what happens to Medicaid residents when a nursing facility voluntarily ceases to participate in the federal payment program.

I have read the draft bill that your staff has written to address this issue. The bill protects residents who were admitted at a time when their facility participated in Medicaid by prohibiting the facility from involuntarily transferring them later when it decides to discontinue its participation. As you know, many people in nursing facilities begin their residency paying privately for their care and choose the facility because of promises that they can stay when they exhaust their private funds and become eligible for Medicaid. In essence, the bill requires the facility to honor the promises it made to these residents at admission. It continues to allow facilities to withdraw from the Medicaid program, but any withdrawal is prospective only.

This bill gives peace of mind to older people and their families by affirming that their Medicaid-participating facility cannot abandon them if it later chooses to end its participation in Medicaid.

The National Senior Citizens Law Center supports this legislation. We look forward to working with your staff on this legislation and on other bills to protect the rights and interests of nursing facility residents and other older people.

Sincerely,

TOBY S. EDELMAN.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2309. A bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park; to the Committee on Energy and Natural Resources.

GATEWAY VISITOR CENTER AUTHORIZATION ACT OF 1998

● Mr. SPECTER. Mr. President, today I introduce legislation to authorize the Interior Department to enter into an agreement with the nonprofit Gateway Visitor Center Corporation for the construction and operation of the Gateway Visitor Center in Independence National Historical Park in Philadelphia, Pennsylvania.

This legislation is needed because the Visitor Center will provide some services which are beyond the scope of existing National Park Service statutory authority at the Park. As a result, I am advised that construction may not begin until this bill is enacted. I have worked with the National Park Service and the Gateway Visitor Center Corporation to develop this bill and note that similar legislation has been introduced in the House of Representatives by Congressmen JON FOX and ROBERT BORSKI. The bill also has the strong support of Philadelphia Mayor Edward Rendell.

The Gateway Visitor Center is part of the revitalization of Independence Mall and is critical to creating an outstanding visitor experience. It will serve as the gateway into the Park and will orient visitors as to the rich history of the National Historical Park, the city of Philadelphia, and the region as a whole. I was pleased to assist in obtaining funds in the TEA–21 Act for the road and infrastructure improvements necessary for the redevelopment of the Independence Mall and would note that the Senate FY99 Interior Appropriations bill also includes funding for this project.

The legislation is necessary because, in addition to its role as the Park's primary visitor center, the Gateway Visitor Center will be permitted to charge fees, conduct events, and sell merchandise, tickets, and food to visitors to the Center. These activities will allow the Gateway Visitor Center to meet its park-wide, city-wide and regional missions while defraying the operating and management expenses of the Center.

The Gateway Visitor Center holds enormous potential for Independence National Historical Park and the greater Philadelphia region as a whole, and I urge my colleague to support this legislation.●

By Mr. MOYNIHAN (for himself, and Mr. D'AMATO):

S. 2310. A bill to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the ''Jerome Anthony Ambro, Jr. Post Office Building''; to the Committee on Governmental Affairs.

JEROME ANTHONY AMBRO, JR. POST OFFICE BUILDING LEGISLATION

Mr. MOYNIHAN. Mr. President, I rise today with my friend and colleague, Senator D'AMATO, to introduce a bill to designate the East Northport, New York Post Office as the ''Jerome Anthony Ambro, Jr. Post Office Building.''

Jerry Ambro's life was one dedicated to serving the people of New York. A Brooklyn native, he was educated in the New York City public schools and was graduated from New York University. After a two-year stint in the United States Army, he began working for the Town of Huntington, New York. He went on to serve on the Suffolk County Board of Supervisors and was elected Town Supervisor of Huntington for four terms.

First elected to Congress in 1974, in the wake of President Nixon's resignation, Jerry Ambro was a leader among leaders. He served as the chairman of the 82-member New Members Caucus, a reform-minded group that instituted campaign finance reform and new procedures for selecting committee chairmen. The Caucus aided in deposing three committee and subcommittee chairmen.

As Chairman of the House Subcommittee on Natural Resources and the Environment, he fought to protect the environment. He prevented the Long Island Lighting Company from converting from oil to coal and he preserved wetlands in Massapequa. As Town Supervisor, he enacted one of the first municipal bans on DDT.

Following his years in Congress, he went on to serve ably as the Washington lobbyist for then-Governor Hugh L. Carey. He died in 1993 from complications from diabetes.

I am pleased to introduce this bill today to name a post office after such a distinguished New Yorker. Congressman GARY L. ACKERMAN has introduced a similar measure in the House. That it has the support of the entire New York delegation demonstrates how widely admired Jerry Ambro was. I urge the swift passage of this legislation.

Mr. President, I ask unanimous consent that the full text of the bill be placed in the RECORD.

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

S. 2310

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

SECTION 1. DESIGNATION.

The United States Post Office located at 297 Larkfield Road in East Northport, New York, shall be known and designated as the ''Jerome Anthony Ambro, Jr. Post Office Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the

United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the ''Jerome Anthony Ambro, Jr. Post Office Building''.

Mr. D'AMATO. Mr. President, I rise to join my colleague, Senator MOYNIHAN, in introducing this bill that will designate that the U.S. Post Office located at 297 Larkfield Road in East Northport, New York, as the ''Jerome Anthony Ambro, Jr. Post Office Building.''

The designation will be a tribute to the life and legacy of a strong and able local and federal representative and I am proud to be a co-sponsor of this bill. In doing so, we join the entire New York delegation in supporting this bill.

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Anthony Ambro was a full fledge New Yorker. He had his own ideas and his own means of accomplishing his goals—and those goals greatly assisted his constituency. He was a great man from a different political persuasion. But one thing is certain, he put people ahead of politics.

Born in Brooklyn, he attended New York University where he received his Bachelor's degree. He served in the United States Army, Military Police before he began his career in public service. He was budget officer, purchasing and personnel director for the Town of Huntington, served on Suffolk County Board of Supervisors and was elected to four terms as Supervisor of the Town of Huntington. In addition, he was president of the freeholders of the Town of Huntington and co-founder of the New York State Coalition of Suburban Towns.

To reward him for the tremendous accomplishments for the people of Suffolk County, he was elected to the House of Representatives beginning in 1975, for three terms. Beginning in 1981, he operated a consulting business bringing his own brand of humor and sagacity to bear on behalf of hundreds of New Yorkers as they struggled to make sense of Washington's labyrinth.

During his tenure he served as Chairman of the House Subcommittee on Natural Resources and the Environment, working on environmental issues, including the prohibiting the dumping of dredged material in Long Island Sound. As a local official, he supported housing projects for the elderly. He was a free-thinking man whose primary purpose was to represent the needs of his constituency and whose tenacity was driven by his beliefs.

I counted him as a friend and advisor who made many a lunch-time meal at the Monocle a pleasure as well as an education.

Anthony Ambro passed away in March, 1993 from diabetes complications. I am sure he is missed terribly by his wife Antoinette Salatto Ambro, and his children, step children and grandchildren. His qualities endeared him to the people of New York and I hope these sentiments will be reflected in the passage of this measure. I thank the senior Senator from New York and urge its enactment.

By Mr. KOHL (for himself and Mr. SESSIONS):

S. 2311. A bill to amend section 201 of title 18, United States Code, to increase prosecutorial effectiveness and enhance public safety, and for other purposes; to the Committee on the Judiciary.

EFFECTIVE PROSECUTION AND PUBLIC SAFETY ACT OF 1998

● Mr. KOHL. Mr. President, Senator SESSIONS and I today are introducing a bill that guarantees prosecutors can exercise their full power to keep criminals off our streets. The ''Effective Prosecution and Public Safety Act of 1998'' makes clear that prosecutors can offer plea bargains to accomplices in exchange for their testimony—a longstanding, accepted and necessary practice—without tainting a conviction resulting from such testimony. This measure puts to rest any concerns raised by an overwhelmingly disputed decision issued recently by a panel of three appellate court judges. And it makes it less likely that courts could overturn convictions of dangerous criminals like Oklahoma City bomber Timothy McVeigh.

Until a court decision two weeks ago, there was no doubt that prosecutors could build criminal cases by offering leniency to accomplices in exchange for their testimony at trial. But in U.S. versus Singleton, a Tenth Circuit panel held that a federal anti-bribery statute, which had been on the books for over 35 years, barred these kinds of leniency deals. This unprecedented decision has been criticized virtually unanimously. Subsequently, the full Tenth Circuit put the decision on hold, pending a full court rehearing scheduled for November.

There is little doubt that the Tenth Circuit's decision is just plain wrong. Nothing in the legislative history suggests that Congress ever intended to take away a prosecutor's ability to make deals for testimony. And it is no surprise that in 35 years no court ever found the anti-bribery statute to apply to this reasonable exercise of prosecutorial discretion. This decision is simply a case of Scalia-ism taken to the extreme, beyond the bounds of common sense and in the face of established practices. I cannot believe that even Justice Scalia, the high priest of literalism, would agree with this result.

As wrong as this decision is, it still cannot be taken lightly. Prosecutors make deals with cooperating witnesses all the time. So this decision puts tens of thousands of convictions in jeopardy. For an example, we need look no further than the conviction of Timothy McVeigh, which was based in large part on the testimony of Michael Fortier, who was allowed to plea to lesser charges in exchange for his testimony. And McVeigh's conviction is on appeal in the same Tenth Circuit—could that be the next conviction it will try to overturn?

In my view, the risks posed by this decision are too great to leave this issue to the courts—even though I am confident that in the end they would do the right thing. Indeed, until this issue works its way to the Supreme Court, the potential dangers are serious. Prosecutors may feel the need to hold back on cutting deals with potential witnesses, making it tougher to convict dangerous criminals. And criminals behind bars will have a better chance than ever at overturning their convictions. Already, jailhouse lawyers are probably foaming at the mouth anticipating making this argument in courts all over the nation.

Congress can act now to put this issue behind us, to guarantee that prosecutors are not hampered in their efforts to put criminals behind bars, and to make sure that is where criminals stay. This bill is simple and effective. It amends the anti-bribery statute to exempt deals for leniency made by prosecutors in exchange for testimony. And it applies to past as well as future deals, so that no criminal—including the Oklahoma City bomber—can try to use this awful decision as a ''get out of jail card'' at the expense of the safety of the American people.

Mr. President, let me make clear what this proposal does and what it does not do. All it does is reinforce what Congress always intended—to allow plea bargains in exchange for testimony. It does not permit prosecutors to ''buy'' testimony with cash payoffs. That is still illegal. It does not allow prosecutors to knowingly elicit false testimony. That is obstruction of justice. And it does not prevent a defense attorney from raising a deal at trial to try to cast doubt on the credibility of a witness. That is what cross-examination is all about.

Mr. President, prosecutors will be most effective and the public will be safest if we set the Record straight now and correct the Tenth Circuit's outrageous decision. I urge my colleagues to join me in support of this bill. And I offer for the RECORD the following two articles—an editorial from the Washington Post criticizing the decision and a piece from Legal Times explaining its impact and recent developments, and ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[The Washington Post, Wed., July 8, 1998]

JUDICIAL TROUBLE

Every now and then, a federal appeals court issues a ruling that is, at once, so wrongheaded and so sweeping that it results in a brief period of uncertainty in the legal world before being reversed. The decision last week by the U.S. Court of Appeals for

the 10th Circuit in the case of *U.S.* v. *Singleton* is one such bombshell. A unanimous three-judge panel threw out the drug conspiracy and money laundering conviction of a woman named Sonya Singleton, finding that the government had violated a criminal anti-gratuity statute by promising leniency to a witness in exchange for his testimony.

On its face, the decision seems faintly reasonable. There is, after all, a federal law that holds criminally liable anyone who, ''directly or indirectly, gives, offers or promises anything of value to any person, for or because of the testimony under oath or affirmation given . . . by such person as a witness.'' This law contains no explicit exception for the government, and leniency in sentencing is certainly of value to a person who is facing jail. Hence, the court held, the government violated the law by using bought testimony, and Ms. Singleton's conviction must be thrown out.

Logical, perhaps, but dead wrong. What the government actually promised the witness was, in fact, a standard plea agreement of a sort prosecutors rely on every day. Oklahoma City bomber Timothy McVeigh was convicted based, in substantial part, on testimony by Michael Fortier—who was allowed to plead guilty to lesser charges. Many, if not most, significant investigations rely on witnesses who are ''flipped'' by prosecutors in exchange for some sort of special treatment, almost all of which could be considered ''of value.''

This practice can be—self-evidently—corrupting. A witness who knows that his cooperation will get him a cut sentence has a strong incentive to say what prosecutors want to hear. But the traditional remedy is the cross examination of the witness by defense lawyers, and no court has previously deemed a run-of-the-mill plea agreement to be a felony by a prosecutor.

Though the law does not explicitly exempt the government, this appears to reflect only the fact that members of Congress never considered the possibility that they were criminalizing normal prosecutorial practice. In fact, Congress has adjusted the law in question without balking at the behavior of prosecutors. And the Supreme Court, in *Giglio* v. *U.S.*, held that when the government makes a deal with a witness, that a deal must be disclosed to the defense as exculpatory evidence—a holding that seems to concede that the deal-making itself is legitimate. The 10th Circuit's decision is at odds both with assumed prosecutorial practice and—by the judges' own admission—with the other judicial authorities in the books.

[From the Legal Times, Week of July 13, 1998]

FEDERAL COURT WATCH—APPEALS PANEL RETRACTS SNITCH RULING

(By Robert Schmidt)

It was a revolutionary federal appeals court decision—a unanimous ruling by three judges that the time-honored prosecutorial tactic of offering witnesses leniency in exchange for their testimony is illegal—and it sent prosecutors and defense lawyers into a frenzy.

The ruling's sweeping implications also apparently caught the very judges who issued it off guard.

In a highly unusual move late last week, the U.S. Court of Appeals for the 10th Circuit, acting on its own motion, vacated the July 1 opinion in *United States* v. *Singleton* so it could address the issue en banc.

The decision stunned defense lawyers across the nation, some of whom had already filed motions in other federal courts based on the precedent. The 10th Circuit's reversal, however, pleased prosecutors—especially officials at Main Justice, who have been scrambling to develop for U.S. attorneys' offices legal guidelines that take Singleton into account.

On July 9, Justice announced it was planning on asking the 10th Circuit to hear the case en banc, but it had not yet filed the motion when the court acted on its own.

''This does not seem like the kind of case where they would grant en banc sua sponte because they felt that [the decision] was right,'' says a Justice official working on the matters. ''This is a hopeful sign.''

John ''Val'' Wachtel, the Wichita, Kan., lawyer who initially triumphed before the three-judge panel, says he is disappointed but eager to argue before the entire court.

''We plan to write our brief and go out and argue and win this case,'' says Wachtel, a partner of Wichita's Klenda, Mitchell, Austerman & Zuercher. ''The decision of the panel is right.''

The court's unusual move followed a firestorm in federal courts across the six Western states that make up the 10th Circuit. Although the panel noted that its ruling would not ''drastically alter'' prosecutors' tactics, no one else seemed to agree.

Trial lawyers of all stripes predicted that if the opinion's holding stood, it would dramatically change the way prosecutors investigate and try many types of criminal cases, including major conspiracies involving drug trafficking, money laundering, and fraud.

And last week, those predictions were already coming true in the 10th Circuit.

According to press accounts and lawyers who practice in the circuit, ongoing federal criminal cases there were virtually paralyzed as lawyers and even judges tried to decide what to do.

Stephen Saltzburg, a former Justice official who now teaches at George Washington University Law School, says that this type of paralysis plus the widespread media attention likely prompted the 10th Circuit to issue its order late last week.

''They may not have paid careful attention to this when it was lurking,'' posits Saltzburg. ''Once they had the uproar, and focused on it, they realized that every criminal case that went to trial is now at risk.''

Indeed, the court did see that as a potential problem. In its July 10 order, signed by 11 of the 12 judges, the court asked attorneys for both sides to file briefs that ''address whether any opinion reversing the district court would have prospective or retrospective application.''

The Circuit ordered that the briefs be submitted in August and said it would hear oral argument in November.

While criminal law experts like Saltzburg almost all predict that the entire court will reverse Singleton, defense lawyers say they are confident the opinion will be affirmed.

The underlying case involved Sonya Singleton, who was convicted of one count of conspiracy to distribute cocaine and seven counts of money-laundering. The main evidence against Singleton was the testimony of Napoleon Douglas, a fellow alleged conspirator who cut a plea deal with the government.

Singleton's lawyer, Wachtel, argued that Douglas' testimony should be suppressed, claiming that 18 U.S.C. §201(c)(2)—the law governing bribery of public officials and witnesses—applies to prosecutors just as it applies to everyone else.

The section reads: ''Whoever . . . directly or indirectly, gives, offers or promises anything of value to any person, for or because of the testimony under oath or affirmation given or to be given by such person as a witness upon a trial, hearing or other proceeding, before any court . . . shall be fined under this title, or imprisoned for not more than two years, or both.''

The panel did not suggest that prosecutors should go to jail or be fined for violating the law. But it did determine that the statute was broad enough to include federal prosecutors.

The court then noted that Douglas' plea agreement, which incorporated standard boilerplate language used by U.S. attorneys' offices nationwide, made three specific promises to Douglas in exchange for his testimony.

Those promises—not to prosecute him for any other crimes stemming from the investigation and to tell both the sentencing court and his parole board about the extent of his cooperation—constituted ''something of value,'' the court reasoned. Thus, they amounted to an illegal gratuity.

''The obvious purpose of the government's promised actions was to reduce his jail time,'' wrote U.S. Circuit Judge Paul Kelly Jr., ''and it is difficult to imagine anything more valuable than personal physical freedom.''

Despite the 10th Circuit's decision last week, local defense lawyers say they are eager to raise the issue in Washington's federal court.

''I guess, given the attention it received, [the 10th Circuit's action] is not all that surprising, but it is definitely disappointing,'' says L. Barrett Boss, an assistant federal public defender in Washington. ''The argument that is made, that testimony in exchange for leniency violated the bribery statute, is rock solid, so we're definitely going to be pursuing that issue at every opportunity.''●

By Mr. GREGG (for himself, Mr. BREAUX, Mr. THOMPSON, Mr. ROBB, Mr. THOMAS, and Mr. COATS):

S. 2313. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer Social Security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

TWENTY-FIRST CENTURY RETIREMENT ACT

● Mr. GREGG. Mr. President, today I introduce—I believe I can say without exaggeration—a landmark piece of legislation, the Twenty-First Century Retirement Act.

Joining me as principal co-sponsor of this legislation is Senator JOHN BREAUX, with whom I served as co-chair of the National Commission on Retirement Policy during the last year. Also this week, the same legislation will be introduced by our House colleagues, Congressmen JIM KOLBE and CHARLES STENHOLM.

With many pieces of legislation, naming the cosponsors upon introduction is merely a perfunctory exercise. With this one, it is significant. Also as original cosponsors of this legislation, we have Senators FRED THOMPSON, CHUCK ROBB, CRAIG THOMAS, and DAN COATS. Several cosponsors from both sides of the aisle are also joining on the House bill.

This in and of itself is almost an unprecedented accomplishment. This simply does not happen with Social Security, long considered the ''third rail'' of American politics. We are turning this

''third rail'' into a passenger train—a bipartisan, bicameral process for reform.

Two months ago, the National Commission on Retirement Policy voted 24–0 to approve the recommendations that this legislation would implement. Today we are introducing it with several cosponsors from both sides of the aisle. Given the difficulty that most experts see with restoring the Social Security system to balance, our proposal has set a modern record for the most support attracted to any proposal to place Social Security on sound long-term footing.

For several years, we have seen numerous Commissions divide among themselves, breaking into factions, issuing separate minority opinions instead of coming to agreement. We have seen various—many of them visionary and constructive—individual legislators introduce reform proposals that could attract little support beyond the original co-sponsors. But today we stand here with a proposal that has received endorsements that have not been given to other Social Security proposals in recent years.

What have we done that has enabled us to build such support?

The first thing we did was to take careful note of what Social Security has meant to Americans, and what they insist that it mean in the future. Social Security has long been the principal government program lifting senior citizens out of poverty. In addition to providing a basic level of protection against poverty, the program has also been sold to Americans as not a welfare program, but rather a program under which benefits paid will bear a reasonable relationship to the contributions that people have put in.

So we set about to ensure that this remained the case. We wanted to have a system that, in the end, would do an even better job of lifting Americans out of poverty—and would, at the same time, ensure that people received a fair deal for the investment that they made in the program.

Let me step back a bit, Mr. President, and review why action is necessary to achieve this purpose. This requires me to review the projections for Social Security under current law.

It is often said that Social Security faces an actuarial problem. It is said that the program is solvent only through the year 2032. That is true. But it does not begin to describe all of the problems with the program.

Even an actuarially sound Social Security program would face enormous financing problems under its current structure. It is a ''pay as you go'' system. Any surplus assets it holds are invested in the federal government—which then has to pay it back at some date in the future. So, even if the books were balanced—and they are trillions of dollars out of balance—the general taxpayer would still face the problem of paying off more than $4 trillion in Trust Fund assets. This would be needed above and beyond payroll taxes (!) in order to pay the benefits that have been promised to the baby boom generation of retirees.

So what would that mean? It would mean raising taxes on future generations of Americans. The payroll tax would ultimately have to go up by almost 50%! That is because the net cost of the system would ultimately top 18% of payroll, as opposed to today's 12.4% tax rate.

Raising the FICA tax today, immediately, by 2.2% of payroll, would not solve this problem. It would just mean that future taxpayers would have a larger Trust Fund to pay off later on, and that the 50% payroll tax increase would be borne indirectly, through general taxation.

But there would be another dire effect of such a change. Under current law, rates of return under Social Security are dropping. If you are a single male, the chances are very good that you will never get back the value of the contributions that you put in. The situation is comparably grim for single females—and for two-earner couples.

If we were to raise taxes to restore the system to solvency—or, for that matter, if we simply and mindlessly cut benefits—that situation would grow far worse. More and more Americans would be losing money through the program. Ultimately, its political support would be imperiled. The basic societal consensus in favor of Social Security—based on the premise that it treats everyone fairly—would be undermined.

So we must find another way to restore Social Security to health—and to enable it to provide the kind of retirement income that Americans have a right to expect from the program.

I believe that it is imperative that we begin to ''pre-fund'' the future liabilities of Social Security. A ''pay as you go'' system is not built for a demographic shift on the order of the baby boom generation. A ''pay as you go'' system assumes that there is always a demographic pyramid—that each generation coming through at the bottom is more numerous than the generation that they are supporting above them.

But with the baby boomers coming through in such great numbers—and having comparatively fewer kids—the pyramid looks more like a rectangle. And the individuals at the bottom will bear a crushing burden unless we reduce some of it by putting additional funding aside now.

Fortunately, we have an opportunity to do this. We have projections of near-term budget surpluses—and we already have short-term Social Security surpluses. We are collecting money that the government does not need to meet current operations, and we are collecting it through the Social Security system.

The very first thing we should do is to give this extra money directly back to taxpayers, allow them to own it once again, and to fund a portion of their future retirement benefits through those personally-owned retirement accounts.

Our legislation would do that. It would refund 2% of the current payroll tax back to individual Americans, to be used to directly finance some of their future Social Security benefits. We will move that portion of the benefit—and of future unfunded liabilities—off of the federal ledger.

We would set up these personal accounts on the model of the Thrift Savings Plan currently provided to federal employees. We do this because it is an obvious way to reduce administrative costs. We also do it to avoid new mandates on employers. Employers would continue to pay the payroll tax just as they do now, and individuals would decide in which fund they want 2% of the current 12.4% payroll tax to be invested.

The Thrift Savings Plan is a tested, workable way of generating investment wealth for beneficiaries. It strikes a reasonable balance between providing good investment opportunities and limiting individual risk. Perhaps most importantly, all Americans would have the opportunity to save for retirement on a payroll deduction basis—not just those who have pension plans, or who have gone through the trouble of setting up IRAs. This will do a tremendous amount to provide investment wealth to the millions of Americans who have not thus far had the opportunity to share in that wealth.

Our legislation would also permit individuals to make $2,000 in extra voluntary contributions—above the 2% automatically redirected for them—to these personal savings accounts. This means that we have created a vehicle through which net national savings should increase. The more that individuals contribute to their personal accounts—the more retirement income they will have—and the greater the chances that they will be able to retire early, just as is the case with other retirement saving.

This proposal is the most comprehensive one developed to date. It has been scored by the Social Security actuaries as achieving solvency through the next century. Perhaps even more importantly, it eliminates the enormous financing gap under current law. If we enact this legislation, we will remove the need for taxpayers to pony up hundreds of billions of dollars, above payroll taxes, in order to pay current benefits. Each year, the cash flow for the system will be smooth and manageable, and there will be a much closer balance between payroll tax revenue and the benefits that must be paid from it.

Moreover, we have compared the results of our plan with a plan that would simply balance the current system within the existing 12.4% tax rate. In general, beneficiaries will receive much more income from our plan than they would from a plan that simply balanced the old system without personal accounts.

We have also compared the benefits that our plan would provide to beneficiaries relative to current law, presuming that current benefits were made whole with tax increases. A 2.2% payroll tax hike to make the current system actuarially sound was compared with the income that individuals would receive if they made 2.2% voluntary contributions to our personal accounts. Virtually across the board, individuals would do much, much better under our plan.

These are among the reasons why a personal account system is so vital for Social Security reform. Not only will they remove some of the unfunded liabilities of the federal government, but they will provide greater income to individual beneficiaries.

We have also carefully thought through the relationship between personal account income and income through the traditional Social Security system. I would like to comment about some of what our legislation would accomplish in this regard.

Personal accounts, by their nature, are not progressive. There is a direct relationship between money put in and benefits received. It is not redistributed from wealthy beneficiaries to needier ones.

Accordingly, if we move towards a system that includes personal accounts, benefits on the traditional side must be made more progressive if we are ultimately to have a system that is just as progressive, as a whole, as is our current one. We have done this with our plan.

Our plan includes a new ''minimum benefit'' poverty protection that would strengthen the safety net for low-income beneficiaries. If an individual works for a full 40 years, we would guarantee that they will not retire in poverty. An individual becomes eligible for some of the protection after 20 years of work, and receives increased protection for every quarter of work after that.

Thus, for low-income beneficiaries, our plan would provide additional income security, even without the personal accounts. The personal account income would be a pure bonus for them. Even if they invest badly, their basic protections will be secure—not only secure, but strengthened.

In the short term, because of these protections, the Social Security system would become more progressive than it is now. Ultimately, when the personal accounts have built up to be much larger, in the year 2050 or 2060, the progressivity of the system would be essentially what is now—the main difference being that individuals would have much more income.

We also did much to correct the flawed incentives of the current system. We eliminate the earnings test above the normal retirement age—a disincentive for continued work.

We would also increase the delayed retirement credit, and restore the proper relationship between normal retirement and early retirement benefits. Under current law, an individual has little incentive to wait until normal retirement age, because the extra payroll taxes he pays during those years will never fully be received back in benefits. We would change this, so that for each year an individual works, benefits would increase more sharply, and work would be rewarded.

We also would credit an individual for every year of earnings in the benefit formula. Right now, the Social Security system only calculates a benefit based on the average of the highest 35 years of earnings. Many reform proposals would increase this number of years, effectively reducing benefits. Our proposal also recognizes the necessity of increasing the number of computation years in the denominator of this formula—but on the other hand, we would credit an individual in the numerator for every year of earnings, no matter how small.

I am certain that my colleagues have received letters from senior citizens who say, ''I am working part-time at the age of 64, but it is not among my highest years of lifetime earnings. I won't get any credit for this in my Social Security benefits. Why not?'' We believe that we should reward all work, and this proposal would. We even would have the minimum benefit guarantee also depend on the total number of years worked. If we enact this proposal, rewards for continued work would be greatly strengthened, and our country will benefit as a result.

At this point, I feel compelled to point out that there is no ''free lunch'' in Social Security reform. It is essential that we enact personal accounts, but we must enact them in the right way.

Our proposal would explicitly replace unfunded benefits with funded benefits. We move part of the current payroll tax into personal accounts, to fund future benefits. This only makes policy sense if we use such a change to reduce federal liabilities. If we set up personal accounts—but leave all of the old, traditional liabilities in place—we have not achieved anything. Indeed, we could make the financing problem worse.

So we gradually replace unfunded benefits with funded ones. Every responsible proposal to move towards pre-funded benefits will be vulnerable to the attack that it is ''cutting'' benefits, even though in sum, total benefits would be higher than under a ''traditional fix.'' It is imperative that Congress and the public not buy into such misrepresentations as we undertake Social Security reform. If we leave in place all of the unfunded liabilities, and all of the old unfunded benefit promises, then we will leave in place all of the projected tax increases as well.

For example. Our proposal would, in order to prevent the traditional system from posing an ever-increasing burden on taxpayers, gradually raise the age of eligibility for full benefits to 70 in the year 2037 (for individuals turning 62 in the year 2029.) No one over the age of 31 would be affected by the full phase-in of this change.

At the same time, it must be noted—we do not set an age for access to the personal retirement accounts. Our proposal would allow people to retire on these accounts once they are capable of providing a poverty-level annual benefit—even if this earlier than early retirement age. This is an incentive for individuals to put more money into these accounts, and it provides them with flexibility on their age of retirement that they do not have under current law.

We would also require additional reforms to the Consumer Price Index, and adjust the bend points in the Social Security benefit formula in a progressive manner, to gradually phase down the liabilities on the traditional side as we move those benefits over into funded accounts.

I would repeat: Personal accounts are an indispensable component of a Social Security reform program that delivers more retirement income than merely balancing an unreformed system can possibly provide. But they will not solve our long-term financing problems unless we use them to phase down the unfunded liabilities of the old system. This means directly addressing the growth of the unfunded benefits we are promising to pay out, at the same time that we are replacing them with funded benefits.

As a result, we believe our plan is the most fiscally responsible proposal yet devised. The net liabilities upon the federal government in any year during the baby boom retirement period—whether you pick 2020, 2025, 2030, or beyond—would be significantly less than under almost any other proposal. We have avoided any and all tax increases—while at the same time avoided unseen financing costs above and beyond the explicit tax rates.

We have also produced a proposal that will give beneficiaries the opportunity to generate more retirement income through self-directed investments, provide a Social Security system that the economy can sustain, and at the same time enhance protections against the risk of poverty.

I want to thank my co-sponsors—especially Senator JOHN BREAUX, Congressman KOLBE, and Congressman STENHOLM—and their staffs, who have worked so closely with me and with my staff throughout a long and difficult process.

I also want to thank all others who are constructively participating in the Social Security reform debate. We have made it this far without turning this critical issue into a partisan shooting match. I am pleased that the President has remained open to various proposals for reform, and we have been reaching out to him to explain our ideas. I am also appreciative that Senators MOYNIHAN and KERREY have also produced

an actuarially sound proposal, and that discussions of the differences between our proposals have been made on a constructive basis. I would extend a similar appreciation for a number of other Senators who are exploring this issue seriously—everyone from Congressmen MARK SANFORD and NICK SMITH, to Senators ROTH, SANTORUM and PHIL GRAMM in our own chamber.●

● Mr. THOMPSON. Mr. President, I am delighted to join my colleagues today as an original cosponsor of an exciting new proposal to reform Social Security.

We all know that the Social Security program gets in serious financial trouble when the Baby Boomers start retiring early in the next century. The Social Security actuaries tell us that, just 15 years from now, in 2013, Social Security will begin paying out more in benefits than it receives in taxes and will have to begin redeeming the treasury bonds issued to the Trust Funds. By 2032, the Trust Funds will be exhausted, and the program will be running annual cash deficits of hundreds of billions of dollars.

As more and more people become aware of these financial realities, Social Security has quickly ceased to be the untouchable third rail of politics. In my view, it should soon become the brass ring of politics. Entitlement reform is one of the greatest challenges our nation faces, and we should all be reaching for the solution that will enable Social Security to provide for our grandchildren like it did for our grandparents.

Fortunately, right now we have a tremendous window of opportunity for real reform. Our economy is strong; the federal budget is balanced for the first time in 30 years; and the Congressional Budget Office is actually projecting budget surpluses each year for the next decade. Just as important, the 76 million Baby Boomers are still in the workforce paying taxes into the Social Security system. If we wait until this enormous group stops paying taxes and instead begins drawing benefits, the fixes will have to be much more severe.

Over the past 15 months, Senators JUDD GREGG and JOHN BREAUX, along with Congressmen JIM KOLBE and CHARLES STENHOLM, have served as congressional co-chairmen for the National Commission on Retirement Policy, sponsored by the Center for Strategic and International Studies. This 24-member group of politicians, businessmen, and policy experts developed and unanimously approved a broad proposal for reforming Social Security. The Senators and Congressmen then crafted bipartisan legislation based on the commission's recommendations.

The outline of the Gregg-Breaux plan is simple. It would reduce the Social Security payroll tax by 2 percentage points and divert the money into a mandatory savings account for every worker under age 55. The accounts would supplement—not replace—benefits guaranteed through the traditional system. Workers could pick from a limited number of investment funds dealing in stocks, government bonds, or a combination of the two, much like the Thrift Savings Plan available to members of Congress and federal employees. The benefits of current retirees and workers age 55 or older would not be affected by the private accounts, and benefits to survivors of deceased workers and the disabled would also be protected.

Meanwhile, Gregg-Breaux would make changes to the remaining pay-as-you-go system to bring it into actuarial balance. It would accelerate the scheduled increase in the retirement age, raising the age for full benefits to 70 and the age for early retirement benefits to 65 by 2029. It would reduce the Consumer Price Index by half a percentage point so that it more accurately reflects the rate of inflation, and it would scale back benefits to wealthier retirees, who are likely to fare better with their individual accounts. Unlike several of the proposals that are on the table, however, the Gregg-Breaux plan does not raise taxes, period. In fact, the payroll tax is reduced from 12.4 to 10.4 percent and never rises above 10.4 percent again.

Some groups continue to insist that only minor adjustments are needed to put Social Security back on sound financial footing. What they often won't tell you is that all of these adjustments would either raise taxes or cut benefits. For me, it's clear that ''reforming'' Social Security in this way will no longer suffice. These kinds of traditional reforms were last used by the 1983 Greenspan Commission to ''fix'' Social Security for 75 years. Today, we know the program will be in trouble again in 2013, when tax revenues are no longer sufficient to pay promised benefits.

Instead of taxing Americans at ever-higher rates while scaling back their retirement benefits, our goal should be to enable all workers to accumulate a level of wealth that will allow them to retire with a basic level of economic security. That's why private accounts are a central part of the plan I support.

Private accounts would give working-class Americans the same access to the power of compound interest that the rich enjoy today. This notion terrifies those who want to keep workers as dependent on government as possible, but more and more people acknowledge that private accounts are the best way to simultaneously solve the two crises facing Social Security—the impending insolvency of the program due to enormous demographic shifts, and the lower and lower rates of return for each new generation of workers. First, private accounts would allow younger workers to take advantage of the higher returns available to private investment. Second, because these workers would be giving up some of their future claims on traditional Social Security benefits, the unfunded liability of the program would be reduced.

As the American people learn more about the issue of Social Security reform, public opinion on the issue of private accounts has clearly shifted. Depending on how the question is phrased, between 60 and 80 percent of Americans now say they favor letting workers invest some portion of their Social Security tax payments. Most of the current reform plans have an element of private investment, and I am pleased that several of our Democratic colleagues in the Senate have openly endorsed them.

In my view, reforming Social Security is the most significant political issue on the horizon for the foreseeable future, and I am encouraged that the American people and elected officials on both sides of the aisle recognize its importance to our nation's continued prosperity. History has shown us that an issue of this magnitude can only be addressed successfully through a bipartisan process. The Gregg-Breaux plan is a thoughtful approach to reform, and I expect it to wield considerable influence in shaping the important debate that lies ahead.●

● Mr. COATS. Mr. President, I rise today as a cosponsor of the sweeping Social Security Legislation introduced by my colleagues—Senators GREGG and BREAUX. The ''21st Century Retirement Security Plan of 1998'' is designed to strengthen Social Security now, encourage personal savings, and expand the availability of private pension plans.

Senators GREGG and BREAUX recently co-chaired the National Commission on Retirement Policy. This bipartisan commission of lawmakers, economists, pension experts, and businessmen released a report calling for legislation including, among other things, personal savings accounts and a gradual increase in the retirement age. The ''21st Century Retirement Plan'' implements both these provisions and aims to serve a two-fold purpose: It strengthens the Social Security system—ensuring payment to all of the hard-working Americans that have paid into it. And it expands opportunities for private retirement savings—which will provide Americans with more options to save and invest in their future.

As we approach the dawn of the 21st century, it is common knowledge that the aging baby boom will create huge financial problems for future generations. Without changes, the Social Security trust funds will be unable to pay full benefits beginning around the year 2030. Therefore, a thirty-eight year old individual, making an average wage, will have to live until the age of 91 to get back what he paid into the system. This is not the time to propose patchwork solutions to this problem, but rather to seize this unique opportunity to restructure the entire system. I believe that this legislation is a logical first step toward achieving that goal.

President Clinton has also jumped on the save Social Security bandwagon,

although his plan is to sit back and wait until we have three or four ''national town meetings'' to discuss the ramifications of changing the system. Coincidentally, those meetings conclude at the end of this year—which just happens to be an election year. This epitomizes the lack of courage of the part of most of our elected officials.

This legislation will save the Social Security system through the next century without raising taxes. In fact, under this plan, taxpayers would be able to invest 2 percent of their current payroll tax in private savings accounts modeled after the Government's thrift savings plan. This change would not affect current retirees, but would rather assist current tax-paying Americans preparing for their retirement. As a tax-paying American, I trust myself to manage my money much more than I trust the Federal Government to provide for my future.

This allocation of part of the payroll tax would be offset by our current budget surplus and a gradual rise of the retirement age from 67 to 70 by 2029. Further, these accounts would provide a higher rate of return for recipients. This would, as provided by the bill, lower guaranteed Social Security payments and ease the burden on the system.

This plan improves retirement security and protects future generations by strengthening the safety-net aspect of the Social Security system and providing Americans more options for savings and investment. The ''21st Century Retirement Security Plan of 1998'' contains the courage and common sense necessary to save our children and our children's children from the economic strife that is bound to arise if we do not address this impending problem.●

By Mr. LEAHY:

S. 2314. A bill to clarify that prosecutors and other public officials acting in the performance of their official duties may enter into cooperation agreements and make other commitments, assurances, and promises, as provided by law in consideration of truthful testimony; to the Committee on the Judiciary.

PROSECUTORS' COOPERATION AGREEMENTS CLARIFICATION LEGISLATION

Mr. LEAHY. Mr. President, earlier this month, a three-judge panel of the Tenth Circuit decided United States v. Singleton, in which it found that the prosecutor had violated the federal gratuity statute and a state ethics rule by entering a plea agreement with a cooperating defendant that made certain promises in exchange for the cooperator's truthful testimony at trial. The promises in question were the sort of plain vanilla promises that appear in virtually every cooperation agreement, and are the lifeblood of bringing successful prosecutions.

As a former prosecutor, I found this decision bizarre and dangerous. In effect, it makes it illegal—a federal felony—for prosecutors to offer leniency in return for testimony on the theory that leniency is a form of bribery. Defense attorneys across the country have already begun to jump on the Singleton bandwagon. In my state, Vermont, the decision has already triggered new motions in a major drug smuggling case involving a billion dollars worth of hashish. The defendant, Martin Scott, is scheduled to go to trial in September, and the government's evidence includes testimony by cooperating codefendants. Scott has now moved to exclude this testimony on the ground that it was obtained unlawfully in return for government promises of leniency, citing Singleton.

If this controversial decision stands, prosecutors would be exposed to the threat of felony liability and disciplinary action just for doing their jobs. In addition, this decision could result in a tidal wave of reversals and suppression rulings in cases involving cooperator testimony.

I was relieved to see that the Tenth Circuit acted swiftly to vacate the panel decision and set the case down for en banc rehearing in November, and I am confident that the ruling will eventually be thrown out—but not before the issue has been raised and relitigated at every turn in every district and circuit court in the land. At a minimum, this will delay trials, squander scarce judicial resources, and generally waste everyone's time.

We need to insure that prosecutors have the tools they need to do their jobs effectively, and being able to enter into cooperation agreements is critical. That's why I am introducing legislation today to make crystal clear that prosecutors and other public officials acting in the performance of their official duties may enter cooperation agreements and make other such commitments, assurances and promises in return for truthful testimony.

I look forward to working with my colleagues on this matter, and ask unanimous consent that the bill be printed in the RECORD.

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

S. 2314

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

SECTION 1. CLARIFICATION OF PROSECUTORIAL AUTHORITY.

Section 201 of title 18, United States Code, is amended—

(1) in subsection (c)—

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

(B) by striking ''Whoever'' and all that follows through ''otherwise than'' and inserting ''Whoever, otherwise than'';

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately; and

(D) in paragraph (1), as so designated, by striking ''or'' at the end; and

(2) in subsection (d), by striking ''paragraphs (2) and (3)'' and inserting ''paragraphs (3) and (4)''.

By Mrs. FEINSTEIN (for herself, Mr. D'AMATO, and Mr. FORD):

S. 2315. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and titles XVIII and XIX of the Social Security Act to require that group and individual health insurance coverage and group health plans and managed care plans under the medicare and medicaid programs provide coverage for hospital lengths of stay as determined by the attending health care provider in consultation with the patient; to the Committee on Labor and Human Resources.

HOSPITAL LENGTH OF STAY ACT OF 1998

Mr. FEINSTEIN. Mr. President, today Senator D'AMATO, Senator FORD and I are introducing a bill to require health insurance plans to cover the length of hospital stay for any procedure or illness as determined by the attending physician, in consultation with the patient, to be medically appropriate.

This bill will return medical decision-making to medical professionals because it is time to stop insurance plans' interference into this important area of physician decision-making.

It is endorsed by the American Medical Association, the American College of Surgeons, the American College of Obstetricians and Gynecologists, the American Academy of Neurology and the American Psychological Association. Only a physician, taking care of the patient who understands the patient's history, medical condition and needs, can make a decision on how much hospital care a person needs. Physicians are trained to evaluate all the unique needs and problems of each individual patient. Every patient is different and the course of illness has great variation.

Lengths of stay should not be determined by insurance company clerks, actuaries or non-medical personnel. It is the attending physician, not a physician or other representative of an insurance company, that should decide when to admit and discharge someone.

Professional physician organizations develop practice guidelines that guide them in determining medical necessity. These are intended as guidance and are medical judgments made by qualified medical people. Physicians know what medical necessity and generally accepted medical practice are.

We are introducing this bill because we have had a virtual parade of doctors come to us and in essence say, ''We are fed up. We spend too much of our time trying to justify our decisions on medical necessity to insurance companies. Insurance company rules have supplanted doctor decision making.''

Donna Damico, a nurse in a Maryland psychiatric unit of a hospital, told National Public Radio on October 1, 1997:

> I spend my days watching the care on my unit be directed by faceless people from insurance companies on the other end of the phone. My hospital employs a full-time nurse whose entire job is to talk to insurance reviewers. . . . The reviewer's background can

range anywhere from high school graduate to nurse, social worker or even actual physicians.

A number of examples have come to my attention:

In 1996, we addressed the problem of ''drive-through'' baby deliveries, insurance plans covering minimal hospital stays for newborns and their mothers because of examples like this: One California new mother was readmitted after a Caesarean section because of severe anemia from excessive blood loss. She didn't know how much blood loss was normal after a delivery. Two California women were readmitted after vaginal deliveries with endometritis, an infection of the uterus.

We've had examples of ''drive-through'' mastectomies, insurance plans shoving women out the door to deal on their own with drainage tubes, pain and disfigurement. S. 249, which I introduced with Senator D'AMATO last year, addresses that abuse and we are trying to get it passed.

A California pediatrician told us of a child with very bad asthma. The insurance plan authorized 3 days in the hospital; the doctor wanted 4–5 days. He told us about a baby with infant botulism (poisoning), a baby with a toxin that had spread from the intestine to the nervous system so that the child could not breathe. The doctor thought a 10–14 day hospital stay was medically necessary for the baby; the insurance plan insisted on one week.

A California neurologist told us about a seven-year-old girl with an ear infection who went to the doctor feverish. When her illness developed into pneumonia, she was admitted to the hospital. After two days she was sent home, but she then returned to the hospital three times because her insurance plan only covered a certain number of days. The third time she returned she had meningitis which can be life threatening. The doctor said that if this girl had stayed in the hospital the first time for five to seven days, the antibiotics would have killed the infection and the meningitis would never have developed.

A 27-year-old man from central California had a heart transplant and was forced out of the hospital after 4 days because his HMO would not pay for more days. He died.

Nurses in St. Luke's Hospital, San Francisco, say that women are being sent home after only two nights after a hysterectomy and two nights for a Caesarean section delivery, both of which are major abdominal surgeries, even though physicians think the women are not ready to go home..

Just last week Lisa Breakey, a San Jose speech pathologist, came to my office and told us that she is providing home healthcare for stroke patients she used to see in the hospital. She sees patients in their homes who have G tubes in their stomachs for feeding and trach tubes in their throats for breathing. The trach tubes have an inflated balloon or cuff which a family members must deflate and inflate by using a needle. Family members are supposed to suction the patient's mouth and throat before they deflate the cuff. Families, she stressed, are providing intensive care, for which they are unprepared and untrained. Bedrooms have become hospital rooms.

Another California physician told us about a patient who needed total hip replacement because her hip had failed. The doctor believed a seven-day stay was warranted; the plan authorized five.

Rep. GREG GANSKE, a physician serving in the House, told the story of a six-year-old child who nearly drowned. The child was put on a ventilator and it appeared that he would not live. The hospital got a call from the insurance company, asking if the doctor had considered sending the boy home because home ventilation is cheaper.

These cases can be summarized in the comments of a Chico, California, maternity ward nurse: ''People's treatment depends on the type of insurance they have rather than what's best for them.''

As these cases illustrate, premature discharges can increase readmissions and medical complications. During the ''drive-through delivery'' debate, we heard about babies who were jaundiced and dehydrated and had to come back to the hospital.

Similarly, as reported in American Medical News on March 23, 1998, according to Dr. David Phillips, ''a shift toward outpatient treatment actually has come at quite a high price . . . an increased loss of lives.'' This University of California study found that medication errors are 3 times higher among outpatients than inpatients; that medications side effects provides limited oversight by medical personnel and that the patient-physician relationships is compromised.

Ms. Damico said, ''Patients return to us in acute states because their insurance will no longer pay the same amount for their outpatient treatment . . . [They] deteriorate to the point of suicidal thoughts or attempts and need to return to the hospital.'' She cited the example of a suicidal woman whose plan denied a hospital admission requested by her physician. After the doctor told her of the denial, she took twenty 50-milligram tabs of Benadryl, was then admitted, and the plan then had to pay for hospital care, an ambulance and emergency room fees.

So not only do premature discharges compromise health, they ultimately cost the insurer more.

Physicians say they battle daily with insurance companies to give patients the hospital care they need and to justify their decisions on medical necessity.

An American Medical Association review of a managed care contract (Aetna US Healthcare) found that the contract gives ''the company the unilateral authority to change material terms of the contract and to make determinations of medical necessity . . . without regard to physician determinations or scientific or clinical protocols . . . .,'' according to the January 19, 1998 American Medical News.

A study by the American College of Surgeons found that guidelines published by Milliman and Robertson and used by many insurers represent a minimum length of stay, compared with surgeons' estimates.

A study by the American Academy of Neurology found that the Milliman and Robertson guidelines on length of stay are ''extraordinarily short in comparison to a large National Library of Medicine database . .. And that [the guidelines] do not relate to anything resembling the average hospital patient or attending physician . . . .'' The neurologists found that these guidelines were ''statistically developed,'' not scientifically sound or clinically relevant.

A study in the April 1997 Bulletin of the American College of Surgeons found that surgeons stated that the appropriate length of stay for an appendectomy is zero to five days, while insurance industry guidelines set a specific coverage limit of one day.

According to 134 interviews reported in the March 15, 1998 Washington Post, 7 in 10 physicians said, in dealing with managed care plans, they have exaggerated the severity of an patient's condition to ''prevent him or her from being sent home from a hospital prematurely.'' Dr. David Schriger, at UCLA Medical Center in Los Angeles, said that he routinely has patients, such as a frail, elderly woman with the flu, who is not in imminent danger, but could encounter serious problems if she is sent home during the night. He told the Post, ''At this point I have to figure out a way to put her in the hospital. . . And typically, I'll come up with a reason acceptable to the insurer,'' and orders a blood test and chest x-ray, to justify admission.

The Post article also cited Kaiser Permanente's Texas division which ''warned doctors in urgent care centers not to tell patients they required hospitalization, as one Kaiser administrator recalled. ''We basically said [to] the UCC doctors, 'If you value your job, you won't say anything about hospitalization. All you'll say is, I think you need further evaluation . . . .'''

Ms. Damico, the psychiatric nurse interviewed on NPR said, ''Our utilization review nurse gives all of us, including the doctors, good advice on how to chart so that our patients' care will be covered . . . We all conspire quietly to make certain the charts look and sound bad enough.''

The American College of Surgeons wrote: ''We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision-making process only undermines the quality of that patient's care and his or her health and well being . . . . specific, single numbers [of days] cannot and should not be used to represent a

length of stay for a given procedure.'' (April 24, 1997) ACS on March 5 wrote, ''We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision making process only undermines the quality of that patient's care and his or her health and well being.''

The American Medical Association wrote on May 20, 1998, ''We are gratified that this bill would promote the fundamental concept, which the AMA has always endorsed that medical decisions should be made by patients and their physicians, rather than by insurers or legislators . . . We appreciate your initiative and ongoing efforts to protect patients by ensuring that physicians may identify medically appropriate lengths of stay, unfettered by third party payers.''

The American Psychological Association, on March 4, 1998 wrote me, ''We are pleased to support this legislation, which will require all health plans to follow the best judgment of the patient and attending provider when determining length of stay for inpatient treatment.''

Americans' faith in their medical system has plummeted as almost daily we hear of more horror stories of care denied and HMO hassles. Arbitrary insurance company rules cannot address the subtleties of medical care. A March 1998 U.S. News and Kaiser Family Foundation survey found that three in four Americans are worried about their health care coverage and half say they are worried that doctors are basing treatment decisions strictly on what insurance plans will pay for.

The bill we introduce today begins to address some of these problems. I am also a cosponsor of the Patient Bills of Rights (S. 1890) and the Patient Access to Responsible Care Act (S. 644), bills proposing comprehensive reforms.

I hope these initiatives will send a strong message to the health insurance industry and return medical decision-making to those medical professionals trained to make those decisions.

Mr. President, I ask unanimous consent that a summary of the bill and letters in support be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

SUMMARY OF THE HOSPITAL LENGTH OF STAY ACT OF 1998

Requires plans to cover hospital lengths of stay for all illnesses and conditions as determined by the physician, in consultation with the patient, to be medically appropriate.

Prohibits plans from requiring providers (physicians) to obtain a plan's prior authorization for a hospital length of stay.

Prohibits plans from denying eligibility or renewal for the purpose of avoiding these requirements.

Prohibits plans from penalizing or otherwise reducing or limiting reimbursement of the attending physician because the physician provided care in accordance with the requirements of the bill.

Prohibits plans from providing monetary or other incentives to induce a physician to provide care inconsistent with these requirements.

Includes language clarifying that—nothing in the bill requires individuals to stay in the hospital for a fixed period of time for any procedure; plans may require copayments but copayments for a hospital stay determined by the physician cannot exceed copayments for any preceding portion of the stay.

Does not pre-empt state laws that provide greater protection.

Applies to private insurance plans, Medicare, Medicaid and Medigap.

AMERICAN MEDICAL ASSOCIATION,
May 20, 1998.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the American Medical Association (AMA), we would like to express our support for your draft legislation the ''Hospital Length of Stay Act of 1998''. We hope you introduce this legislation that would require coverage of an inpatient's hospital stay to the extent determined medically appropriate by the attending physician in consultation with the patient.

We are gratified that this bill would promote the fundamental concept, which the AMA has always endorsed, that medical decisions should be made by patients and their physicians rather than by insurers or legislators. As you may know, on several occasions the AMA has supported legislative initiatives that would require coverage on a diagnosis by diagnosis basis for medically appropriate minimum lengths of stay. While those bills have moved us in the right direction, this legislation would take us where we want to be.

We appreciate your initiative and ongoing efforts to protect patients by ensuring that physicians may identify medically appropriate lengths of stay, unfettered by third party payors. We offer you our assistance in helping to enact this legislation.

Sincerely,

LYNN E. JENSEN,
Interim Executive Vice President.

AMERICAN COLLEGE OF SURGEONS,
July 15, 1998.

STATEMENT: POSTOPERATIVE LENGTHS OF HOSPITAL STAY

EDWARD R. LAWS, Jr., MD, FACS,
Member of the Board of Regents,
American College of Surgeons.

On behalf of the American College of Surgeons, I would like to commend Senator Feinstein for her continuing concern for high-quality patient care. In particular, I want to praise her and her cosponsor, Senator D'Amato, for their most recent effort to protect patients by introducing legislation to ban the practice of imposing arbitrary coverage limits on hospital length of stay—a practice that is currently being used by some third-party payers.

The issue of ''drive-through'' maternity care, followed more recently by the issue of outpatient mastectomy operations, clearly illustrate the patient care problems that are created when third-party payers set a specific number of days as the appropriate length of stay for a given procedure. For some maternity and breast cancer patients, the outpatient setting may well be medically appropriate and personally preferred, but for many others this certainly is not the case. As many state and federal legislators have come to realize, each of these patients has her own set of unique medical problems and related issues, and it is inappropriate to expect them to conform to cost containment goals that were designed with the ''optimum'' patient in mind.

What few people seem to recognize, however, is that these problems are not limited to new mothers and breast cancer patients. Indeed, thousands of patients whose illnesses do not occupy a high profile on the nation's health care agenda face the same dilemma. A variety of factors—such coexisting illnesses, the optimum treatment method selected, complications arising during the operation, and differences in response to the treatment—can vary significantly among individual patients, making it impossible to accurately or precisely predict the appropriate length of stay for a given procedure. Such factors may also determine the appropriate site for performing a particular operation or procedure. Despite these important considerations, efforts to restrain growth in spending for health care services, although a legitimate concern, are coming into conflict with individual patient needs.

We need to view the issue of length-of-stay coverage limits from a broader perspective than we have in the past. Congress, state legislatures, and the managed care industry have acted on a procedure-specific basis in response to concerns raised about coverage limits placed on maternity care and mastectomy operations. But, it is time to take the next step.

Senator Feinstein's legislation, the ''Hospital Length of Stay Act'' would take this step by proposing to protect medical decisionmaking on behalf of all patients. The legislation specifies that decisions about the medical appropriateness of a hospital length of stay should be determined by the attending physician, in consultation with the patient. Further, the legislation would prohibit health plans from penalizing patients, physicians, or hospitals for following through on these medical decisions.

The American College of Surgeons believes strongly that, for all surgical patients, the responsibility for making the decisions to operate, what type of operation the patient should have, and how long the patient stays in the hospital following the operation must rest with the surgeon and the patient. The College has always encouraged its members to keep their patients' length of stay as short as possible. However, we do believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision-making process only undermines the quality of that patient's care and his or her health and well-being.

Once again, we congratulate Senator Feinstein and Senator D'Amato for their courageous efforts on behalf of quality patient care. The College looks forward to working closely with them and their colleagues in the House of Representatives, including Congressman Tom Coburn and Congresswoman Rosa DeLauro, to ensure swift passage of this important legislation.

The American College of Surgeons is a scientific and educational organization of surgeons that was founded in 1913 to raise the standards of surgical practice and to improve the care of the surgical patient. The College is dedicated to the ethical and competent practice of surgery. Its achievements have significantly influenced the course of scientific surgery in America, and have established it as an important advocate for all surgical patients. The College has more than 62,000 members and is the largest organization of surgeons in the world.

AMERICAN COLLEGE OF SURGEONS,
March 5, 1998.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the 62,000 Fellows of the American College of

Surgeons, I want to commend you for introducing the ''Hospital Length of Stay Act of 1998.'' Your legislation will contribute significantly to the effort to educate Congress and the public about the practice of imposing arbitrary coverage limits on hospital length of stay that do not take into account an individual patient's unique health care needs.

For all surgical patients, the responsibility for making the decision to operate, the type of operation, and how long the patient stays in the hospital following the operation must rest with the surgeon and the patient. The College has always encouraged its members to keep their patients' length of stay as short as possible. However, we believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decisionmaking process only undermines the quality of that patient's care and his or health and well being.

Once again, we appreciate your continuing concern, and congratulate you on introducing legislation that acknowledges the importance of preserving the surgeon-patient relationship and ensuring that they are able to exercise their responsibility for making medical treatment decisions.

Sincerely,

PAUL A. EBERT,
Director.

AMERICAN ACADEMY OF NEUROLOGY®,
April 22, 1998.

Hon. DIANNE FEINSTEIN,
Attn: Glenda Booth and Ann Garcia, Washington, DC.

DEAR SENATOR FEINSTEIN: The American Academy of Neurology, an association of over 15,000 neurologists, has been in the forefront of discussions and debate concerning the necessary protections that should be afforded our patients in a health care environment increasingly dominated by corporate and managed care structures. We believe that it is imperative that patients, who often feel powerless in today's health care environment, be protected through the implementation of basic health care standards including such protections as appropriate health plan disclosure, adequate choice of plans and providers, and appropriate grievance processes.

Your bill, the Hospital Length of Stay Act of 1998, contains many of the elements that we deem important, especially its fundamental premise to protect and preserve the patient and provider relationship. Physicians need to be allowed to exercise their decisionmaking without obstruction when they consult with their patients concerning the appropriate treatment or care for their health care condition.

A survey by the National Coalition on Health Care found that 80% of Americans believe that their quality of care is often compromised to save money. Many Americans feel insecure about their health care plan and question whether or not the plan will take care of them when they really need it such as when they become hospitalized. It is out of this demonstrated national concern that the President of the United States as well as several leading medical societies, such as the Academy, are now calling on members of Congress to implement national health care standards or more commonly known as consumer ''bill of rights''.

The Academy applauds and endorses your bill as a bill of rights component and we hope that this is one of many steps that will be taken by you and your colleagues in helping us to be able to confidently tell our patients that their health care plan will take care of them when they are sick or are in need of health care.

I have included a copy of the Academy's patient protection statement that I hope you will review and consider as the debate on this important issue continues throughout this legislative session.

Sincerely,

STEVEN P. RINGEL,
President.

AMERICAN PSYCHOLOGICAL ASSOCIATION,
March 4, 1998.

Senator DIANNE FEINSTEIN,
Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the American Psychological Association, I am writing to thank you for your sponsorship of the Hospital Length of Stay Act of 1998. We are pleased to support this legislation, which will require all health plans to follow the best judgment of the patient and attending provider when determining length of stay for inpatient treatment.

We appreciate your sensitivity to our concerns over the reality that psychologists in many states are attending providers under their state license and scope of practice. Accordingly, your bill extends this quality of care protection to the patients of psychologists as well as ''physicians'', as did the Coburn-Strickland amendment to the House Commerce Committee version of the Balanced Budget Act last year.

There is obviously enormous public interest in having Congress act this year to pass enforceable federal standards of consumer protection in managed care. Our members are also supportive of a bill that you have cosponsored, the Patient Access to Responsible Care Act (S. 644), and we are very appreciative of your visible involvement in this issue. The Hospital Length to Stay Act addresses another important issue that should be addressed in this debate and we commend you for taking it on.

Sincerely,

MARILYN S. RICHMOND,
Assistant Executive Director for Government Relations.

By Mr. MCCONNELL (for himself and Mr. DEWINE):

S. 2316. A bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; read the first time.

UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION

Mr. MCCONNELL. Mr. President, I rise today to introduce a must-pass piece of legislation to ensure that the Department of Energy is not stuck with a massive unfunded mandate as a result of privatizing the United States Enrichment Corporation. I am pleased to be joined by Senator DEWINE who is an original cosponsor of this legislation.

Last month, the administration, the Department of Energy, and the USEC Board came to a decision on how they intend to privatize the USEC. This deal, which was struck in secret, is a complicated and confusing matter that I am only just beginning to understand. The facts, I have discovered, are not welcome news to the communities of Paducah, Kentucky, and Portsmouth, Ohio, where the two USEC gaseous diffusion plants are located. These facilities employ approximately 4,000 people, making them the largest employers in those regions.

The most discouraging aspect of this privatization proposal is the impact this deal will have on jobs. The administration has tried to put a positive spin on things by claiming that only 600 jobs would be lost over the next 2 years. Unfortunately, this may be the tip of the iceberg, because after the first 2 years, the administration has made no guarantees on the number of jobs that might be lost. In fact, after reading the fine print of this agreement, union and community leaders feel that closure of one of the two plants is a very real possibility. This could result in the loss of nearly 2,000 jobs. Without some efforts to mitigate the job losses, these communities will be economically devastated.

The second item of concern is that the Department of Energy—and taxpayers—will be stuck with an unfunded environmental liability. As you may know, under the terms of the USEC Privatization Act of 1996, the responsibility for the treatment and disposal of the uranium waste will be transferred from USEC to the Department of Energy. To prepare for this reality, USEC has collected nearly $385 million from its customers for the specific purpose of cleaning up their environmental liability. Unfortunately, the administration's proposal only provides $50 million of that total to be used to address this problem, while the remaining $335 million is due to be deposited into the General Treasury.

Mr. President, there are two problems with this scenario. First, I fail to see the logic behind the decision to use only one-eighth of the money which has been collected for the purpose of addressing the nuclear waste at the USEC plants. Second, the administration's plan calls for the $50 million to be given to USEC, Inc.—the private corporation. Why should we, as legislators, allow the government to give a $50 million handout to a private corporation to clean up a Federal entity's mess when $385 million is already available for environmental clean up? What is worse, the administration's plan will add to the tens of thousands of canisters of depleted uranium hexafluoride already stored at the plants, further expanding the environmental problems of the plants and the cost to clean up this site for the Department of Energy.

Mr. President, I am not one to look a gift horse in the mouth, but this deal is not good for Kentucky and is an abrogation of the Federal Government's responsibility to clean up this nuclear mess. We need to ensure that the taxpayers and the workers at these facilities get a better deal than what is being offered. That is why I have introduced this legislation to ensure that all the funds raised and earmarked for the clean up of USEC's environmental legacy will remain available for that purpsoe—and that purpose only. This bill mandates that the administration hold these earmarked funds until the Secretary of Energy submits a plan and

legislation to implement and operate a facility to cleanup the nuclear waste at Paducah and Portsmouth. Once this plan is submitted, then the funding can flow to clean up this environmental nightmare.

This bill will ensure that taxpayers aren't stuck with an unfunded mandate and makes a commitment to the communities that this toxic hazard will be disposed of in a timely manner. Unlike the administration's plan to simply store additional uranium waste, my bill will create many more jobs to construct and operate this facility. The new facility will convert the depleted uranium from an unstable and toxic hexaflouride form to a stable and non-threatening oxide. During this process many useful commercial by-products can also be recovered and sold.

Mr. President, I have here a letter from the Governors of Kentucky, Ohio, and Tennessee urging Secretary Peña to take immediate steps to convert the toxic uranium hexafluoride into a more stable, non-threatening oxide form. The Governors urge the Secretary to seek the necessary funding to begin this process and they specifically identified the funding I have identified in my amendment. I ask unanimous consent that the letter signed by Governors Patton, Sunquist, and Voinovich be printed in the RECORD.

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

APRIL 27, 1998.

Hon. FEDERICO PEÑA,
Secretary, Department of Energy, Washington, DC.

Re ''Draft PEIS for Alternative Strategies for the Long-Term Management and Use of Depleted Uranium Hexafluoride,'' DOE/EIS–0269 dated December 1997.

DEAR SECRETARY PEÑA: More than forty years ago the U.S. Department of Energy began the uranium enhancement initiative that created a common link between Ohio, Kentucky, and Tennessee. This commonality includes the U.S. Department of Energy's legacy of waste, a significant portion of which is made up of depleted uranium hexafluoride. Today, our three states are working together in order to recommend the selection of an appropriate and lawful alternative for the long-term management and use of depleted uranium hexafluoride. We believe that such an alternative must minimize impacts on human health and the environment, as well as benefit the overall mission of our states and the U.S. Department of Energy (''DOE'').

Ohio, Kentucky, and Tennessee have the following significant concerns regarding the above-referenced document:

DOE should consider the immediate conversion of all depleted uranium hexafluoride (DUF6) to the less hazardous uranium oxide (U308) and provide above ground storage of the U308. We do not believe that waiting for possible market demands for the DUF6 is justification for delaying this project. It is incumbent upon DOE to immediately begin seeking funds from Congress for this conversion. We urge DOE to complete conversion by the year 2018 or earlier and reduce the mortgage of maintaining the cylinders.

A long-term strategy for DUF6 must include DOE's entire cylinder inventory, including heel and small cylinders. The 10,000+ cylinders of DUF6 generated by the United States Enrichment Corporation (USEC), which will revert to DOE ownership upon privatization of USEC, must also be considered in any plans.

An estimated $480 million has been accrued by USEC since 1993 in order to offset the cost of the future conversion of DUF6 generated by USEC. DOE should work with Congress now to ensure this fund is not diverted into the federal treasury for an unrelated use. In addition, DOE might consider partnering with the future owner of USEC in a long-term strategy for managing and converting DUF6, in order to avoid redundancy of efforts. Any partnering effort, however, must not slow progress toward conversion.

Natural phenomena events or accidents may not have been adequately considered in the PEIS. DOE must identify the ''worse-case'' cylinder conditions and explicitly use this information in the hazard modeling descriptions.

In order for states to effectively evaluate the potential impact of the preferred alternative DOE must provide information on the location of the sites where conversion would occur and how wastes generated from this process will be managed. In order to avoid the undue risk of transporting deteriorating cylinders, we recommend that DOE evaluate the feasibility of on-site conversion plants.

DOE must ensure that funding for safe storage and maintenance of DUF6 cylinders and storage yards is at an adequate level to protect human health and the environment.

The States welcome the opportunity to work closely with the Department of Energy in addressing these complex issues and moving rapidly toward an alternative that will well serve the public and the environment. In addition we urge DOE to carefully consider the more detailed comments being submitted by each of our states environmental regulatory agencies.

Sincerely,

GOVERNOR PAUL E. PATTON,
GOVERNOR GEORGE V. VOINOVICH,
GOVERNOR DON SUNDQUIS.

Mr. MCCONNELL. Mr. President, I also have a letter from the Oil, Chemical and Atomic Workers Union, which represents 2,200 hourly workers at the Paducah and Portsmouth uranium enrichment facilities. They have also advocated for the use of those funds to begin the clean up of this toxic material. I ask unanimous consent that this letter also be printed in the RECORD.

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

OIL, CHEMICAL AND ATOMIC WORKERS INTERNATIONAL, UNION, AFL–CIO,

Lakewood, CO,
JULY 14, 1998.

Senator MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: On June 29, 1998 the Administration announced that it will soon privatize the United States Enrichment Corporation (USEC), which operates the two uranium enrichment plants owned by the Department of Energy in Portsmouth, Ohio and Paducah, Kentucky. Coinciding with this announcement, USEC declared that:

(1) ''to the extent commercially practicable'' it will eliminate no more than 600 jobs during over the next two years, consistent with an undisclosed USEC ''Strategic Plan'', and

(2) it will transfer thousands of canisters of its depleted uranium hexaflouride waste to the Department of Energy who will inherit the disposition responsibility for wastes that were created by USEC between July 1, 1993 and the date of privatization. USEC has accrued approximately $400 million on its balance sheet to cover the disposition costs of this waste.

Approximately $1.2 billion is presently in a revolving fund account in USEC's name at the Treasury Department—a fund which was created pursuant to Section 1308 of the Energy Policy Act of 1992. Of that amount, $400 million represents the funds collected from utility customers for enrichment services to cover the costs for disposition of these wastes. The Administration has advised us that, absent legislation, these funds will be swept out of this revolving fund immediately after privatization.

To date, Treasury Department officials have been unwilling to secure these funds for the purpose of which they were reserved; to threat the massive quantities of waste left by USEC for the government to clean up. If the funds accrued on USEC's pre-privatization balance sheet were transferred into a dedicated fund at the Department of Energy, these extremely corrosive radioactive wastes would not sit untreated and approximately 240 displaced workers could be re-employed preforming waste treatment activity at Paducah and Portsmouth.

We understand that you are planning legislation which will secure the $400 million in USEC's account at Treasury for the purpose for which it was reserved: to treat waste generated by USEC. Your legislation will fence these funds until the Administration submits a waste treatment plan to Congress with its FY 2000 budget request. The plan will include the construction of two treatment plants—one in Ohio and one in Kentucky. This approach will reduce the hazards associated with the transport of radioactive wastes.

In April of this year the Governors from Kentucky, Ohio and Tennessee wrote to Secretary of Energy Federico Pena endorsing the concept of using the funds from USEC's balance sheet for the treatment and disposition of the depleted uranium hexaflouride tails.

The Oil, Chemical & Atomic Workers Union (OCAW), which represents 2,200 hourly workers at the two gaseous diffusion plants in Paducah and Portsmouth, applauds your efforts to pass legislation which will fence these funds prior to the privatization of USEC.

As you deliberate this legislation, we urge you to ensure that the Department of Energy will require the cleanup contractor(s) to provide a right of first refusal to displaced workers from the gaseous diffusion plants, and to require the contractor(s) to minimize the social and economic impacts by bridging health and pension benefits. Such an arrangement is consistent with the amendment you proposed to offer as part of the FY 99 Energy and Water Development Appropriations Act.

We look forward to working with you and other members to ensure swift passage of this legislation in the House and Senate prior to the privatization date.

Sincerely,

RICHARD MILLER,
Policy Analyst.

Mr. MCCONNELL. Mr. President, I have also cleared this bill with Chairman MURKOWSKI of the Energy Committee and Senator DOMENICI, who is the chairman of the relevant subcommittee on the Appropriations Committee. Neither Senator has any objection to the immediate passage of this

legislation. Finally, I have cleared this proposal with the Congressional Budget Office and they have scored this bill as having zero budget impact.

Mr. President, we need to ensure that the people, economies and environment of Western Kentucky and Southeastern Ohio are not sacrificed to make a quick buck off the sale of the uranium enrichment facilities, especially when funding is available. I urge my colleagues to approve this legislation and protect taxpayers from paying an additional cost for clean up.

Mr. DEWINE. Mr. President, I rise in strong support of the legislation offered by our distinguished friend from Kentucky, Senator MCCONNELL, to ensure that the Energy Department has the resources to address an important public health issue and is not saddled with a massive unfunded mandate in the wake of the privatization of the United States Enrichment Corporation (USEC).

This privatization will entail the purchase of nuclear material from the Russians—material which it is clearly in our national security interest to have removed from the international market. There is currently a fund within USEC which deals with the ''disposition of depleted uranium hexafluoride''—and this fund contains an estimated $400 million. If no changes are made, this money will go to the U.S. Treasury when the Initial Public Offering occurs, possibly as soon as next week.

This fund was created explicitly to handle the disposition of this kind of material. But if the law isn't changed, the Department of Energy (DOE) would have to find new funding sources in order to treat the material—and it may not be able to come up with the money.

This would be a vary undesirable result. The material under discussion is highly toxic—and disposing of it is and should remain an important national security priority. That $400 million is needed to stabilize this material, and to process it so that parts of it can be recycled and other parts can be safely secured.

This bill would provide that, ''the Secretary of Energy shall prepare, and the President shall include in the budget request for fiscal 2000, a plan and proposed legislation to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to commence construction of, not later than January 31, 2004, and to operate, an onsite facility at each of the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, to treat and recycle depleted uranium hexafluoride.''

The bill will address this key challenge. And it will also prevent a major economic dislocation in two communities—Portsmouth, OH (whose USEC plant has 2,400 employees) and Paducah, KY (whose USEC plant has 2,000 employees). This bill will support new decontamination and decommissioning jobs at these plants, which may experience limited job loss through the privatization.

It is an important investment in these two communities—and in a sensible toxic-materials disposal policy for America. I thank Senator MCCONNELL for his leadership on this legislation, and I am proud to be an original cosponsor of this effort.

ADDITIONAL COSPONSORS

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 361

At the request of Mr. JEFFORDS, the name of the Senator from Georgia [Mr. CLELAND] was added as a cosponsor of S. 361, a bill to amend the Endangered Species Act of 1973 to prohibit the sale, import, and export of products labeled as containing endangered species, and for other purposes.

S. 1251

At the request of Mr. D'AMATO, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1413

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1459

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1459, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed-loop biomass.

S. 1647

At the request of Mr. BAUCUS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1734

At the request of Mrs. HUTCHISON, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 1734, a bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes.

S. 1759

At the request of Mr. HATCH, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1759, a bill to grant a Federal charter to the American GI Forum of the United States.

S. 1890

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1890, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1891

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1891, a bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 2001

At the request of Mr. MURKOWSKI, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2001, a bill to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations.

S. 2078

At the request of Mr. GRASSLEY, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2078, a bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes.

S. 2128

At the request of Mr. STEVENS, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2128, a bill to clarify the authority of the Director of the Federal Bureau of Investigation regarding the collection of fees to process certain identification records and name checks, and for other purposes.

S. 2151

At the request of Mr. NICKLES, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 2151, a bill to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual.

S. 2208

At the request of Mr. FRIST, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2208, a bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

S. 2213

At the request of Mr. FRIST, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 2213, a bill to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

S. 2256

At the request of Mr. KERRY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2256, a bill to provide an authorized strength for commissioned officers of the National Oceanic and Atmospheric Administration Corps, and for other purposes.

S. 2271

At the request of Mr. HATCH, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 2271, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law, and for other purposes.

S. 2295

At the request of Mr. MCCAIN, the names of the Senator from South Dakota [Mr. DASCHLE] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress in support of the recommendations of the International Commission of Jurists on Tibet and on United States policy with regard to Tibet.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. D'AMATO, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

AMENDMENT NO. 3004

At the request of Mr. DODD the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Rhode Island [Mr. REED] were added as cosponsors of Amendment No. 3004 proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3136

At the request of Mr. COCHRAN the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of amendment No. 3136 proposed to S. 2159, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

AMENDMENTS SUBMITTED

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

BAUCUS AMENDMENT NO. 3154

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 67, after line 23, add the following:

SEC. 7___. EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

''(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity for 1 6-month period.''.

BROWNBACK (AND OTHERS) AMENDMENT NO. 3155

Mr. COCHRAN (for Mr. BROWNBACK for himself, Mr. ROBERTS, Mr. HAGEL, Mr. GORTON, Mr. ROBB, Mr. SMITH of Oregon, and Mrs. FEINSTEIN) proposed an amendment to the bill S. 2159, supra; as follows:

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

TITLE ___—INDIA-PAKISTAN RELIEF ACT

SEC. ___01. SHORT TITLE.

This Act may be cited as the ''India-Pakistan Relief Act of 1998''.

SEC. ___02. WAIVER AUTHORITY.

(a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balance Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. ___03. CONSULTATION.

Prior to each exercise of the authority provided in section ___02, the President shall consult with the appropriate congressional committees.

SEC. ___04. REPORTING REQUIREMENT.

Not later than 30 days prior to the expiration of a one-year period described in section ___02, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. ___05. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this title, the term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

LUGAR (AND OTHERS) AMENDMENT NO. 3156

Mr. LUGAR (for himself, Mr. HAGEL, Mr. DORGAN, Mr. DOMENICI, Mr. ROBERTS, Mr. CHAFEE, Mr. DODD, Mr. CRAIG, Mr. WARNER, Mr. MURKOWSKI, and Mr. SANTORUM) proposed an amendment to the bill, S. 2159, supra; as follows:

At the end of the bill, insert the following new title:

TITLE VIII—SANCTIONS POLICY REFORM ACT

SEC. 801. SHORT TITLE.

This title may be cited as the ''Sanctions Policy Reform Act''.

SEC. 802. PURPOSE.

It is the purpose of this title to establish an effective framework for consideration by the legislative and executive branches of unilateral economic sanctions in order to ensure coordination of United States policy with respect to trade, security, and human rights.

SEC. 803. STATEMENT OF POLICY.

It is the policy of the United States—

(1) to pursue United States interests through vigorous and effective diplomatic, political, commercial, charitable, educational, cultural, and strategic engagement with other countries, while recognizing that the national security interests of the United States may sometimes require the imposition of economic sanctions on other countries;

(2) to foster multilateral cooperation on vital matters of United States foreign policy, including promoting human rights and democracy, combating international terrorism, proliferation of weapons of mass destruction, and international narcotics trafficking, and ensuring adequate environmental protection;

(3) to promote United States economic growth and job creation by expanding exports of goods, services, and agricultural commodities, and by encouraging investment that supports the sale abroad of products and services of the United States;

(4) to maintain the reputation of United States businesses and farmers as reliable suppliers to international customers of quality products and services, including United States manufactures, technology products, financial services, and agricultural commodities;

(5) to avoid the use of restrictions on exports of agricultural commodities as a foreign policy weapon;

(6) to oppose policies of other countries designed to discourage economic interaction with countries friendly to the United States or with any United States national, and to

avoid use of such policies as instruments of United States foreign policy; and

(7) when economic sanctions are necessary—

(A) to target them as narrowly as possible on those foreign governments, entities, and officials that are responsible for the conduct being targeted, thereby minimizing unnecessary or disproportionate harm to individuals who are not responsible for such conduct; and

(B) to the extent feasible, to avoid any adverse impact of economic sanctions on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which sanctions are imposed.

SEC. 804. DEFINITIONS.

As used in this title:

(1) UNILATERAL ECONOMIC SANCTION.—

(A) IN GENERAL.—The term ''unilateral economic sanction'' means any prohibition, restriction, or condition on economic activity, including economic assistance, with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, including any of the measures described in subparagraph (B), except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other members of that regime have agreed to impose substantially equivalent measures.

(B) PARTICULAR MEASURES.—The measures referred to in subparagraph (A) are the following:

(i) The suspension, restriction, or prohibition of exports or imports of any product, technology, or service to or from a foreign country or entity.

(ii) The suspension of, or any restriction or prohibition on, financial transactions with a foreign country or entity.

(iii) The suspension of, or any restriction or prohibition on, direct or indirect investment in or from a foreign country or entity.

(iv) The imposition of increased tariffs on, or other restrictions on imports of, products of a foreign country or entity, including the denial, revocation, or conditioning of nondiscriminatory (most-favored-nation) trade treatment.

(v) The suspension of, or any restriction or prohibition on—

(I) the authority of the Export-Import Bank of the United States to give approval to the issuance of any guarantee, insurance, or extension of credit in connection with the export of goods or services to a foreign country or entity;

(II) the authority of the Trade and Development Agency to provide assistance in connection with projects in a foreign country or in which a particular foreign entity participates; or

(III) the authority of the Overseas Private Investment Corporation to provide insurance, reinsurance, financing, or conduct other activities in connection with projects in a foreign country or in which a particular foreign entity participates.

(vi) A requirement that the United States representative to an international financial institution vote against any loan or other utilization of funds to, for, or in a foreign country or particular foreign entity.

(vii) A measure imposing any restriction or condition on economic activity on any foreign government or entity on the ground that such government or entity does business in or with a foreign country.

(viii) A measure imposing any restriction or condition on economic activity on any person that is a national of a foreign country, or on any government or other entity of a foreign country, on the ground that the government of that country has not taken measures in cooperation with, or similar to, sanctions imposed by the United States on a third country.

(ix) The suspension of, or any restriction or prohibition on, travel rights or air transportation to or from a foreign country.

(x) Any restriction on the filing or maintenance in a foreign country of any proprietary interest in intellectual property rights (including patents, copyrights, and trademarks), including payment of patent maintenance fees.

(C) MULTILATERAL REGIME.—As used in this paragraph, the term ''multilateral regime'' means an agreement, arrangement, or obligation under which the United States cooperates with other countries in restricting commerce for reasons of foreign policy or national security, including—

(i) obligations under resolutions of the United Nations;

(ii) nonproliferation and export control arrangements, such as the Australia Group, the Nuclear Supplier's Group, the Missile Technology Control Regime, and the Wassenaar Arrangement;

(iii) treaty obligations, such as under the Chemical Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons, and the Biological Weapons Convention; and

(iv) agreements concerning protection of the environment, such as the International Convention for the Conservation of Atlantic Tunas, the Declaration of Panama referred to in section 2(a)(1) of the International Dolphin Conservation Act (16 U.S.C. 1361 note), the Convention on International Trade in Endangered Species, the Montreal Protocol on Substances that Deplete the Ozone Layer, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes.

(D) ECONOMIC ASSISTANCE.—The term ''economic assistance'' means—

(i) any assistance under part I or chapter 4 of part II of the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2, relating to the Overseas Private Investment Corporation), other than—

(I) assistance under chapter 8 of part I of that Act,

(II) disaster relief assistance, including any assistance under chapter 9 of part I of that Act,

(III) assistance which involves the provision of food (including monetization of food) or medicine, or

(IV) assistance for refugees; and

(ii) the provision of agricultural commodities, other than food, under the Agricultural Trade Development and Assistance Act of 1954.

(E) FINANCIAL TRANSACTION.—As used in this paragraph, the term ''financial transaction'' has the meaning given that term in section 1956(c)(4) of title 18, United States Code.

(F) INVESTMENT.—As used in this paragraph, the term ''investment'' means any contribution or commitment of funds, commodities, services, patents, or other forms of intellectual property, processes, or techniques, including—

(i) a loan or loans;

(ii) the purchase of a share of ownership;

(iii) participation in royalties, earnings, or profits; and

(iv) the furnishing or commodities or services pursuant to a lease or other contract.

(G) EXCLUSIONS.—The term ''unilateral economic sanction'' does not include—

(i) any measure imposed to remedy unfair trade practices or to enforce United States rights under a trade agreement, including under section 337 of the Tariff Act of 1930, title VII of that Act, title III of the Trade Act of 1974, sections 1374 and 1377 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3103 and 3106), and section 3 of the Act of March 3, 1933 (41 U.S.C. 10b–1);

(ii) any measure imposed to remedy market disruption or to respond to injury to a domestic industry for which increased imports are a substantial cause or threat thereof, including remedies under sections 201 and 406 of the Trade Act of 1974, and textile import restrictions (including those imposed under section 204 of the Agricultural Act of 1956 (7 U.S.C. 1784));

(iii) any action taken under title IV of the Trade Act of 1974, including the enactment of a joint resolution under section 402(d)(2) of that Act;

(iv) any measure imposed to restrict imports of agricultural commodities to protect food safety or to ensure the orderly marketing of commodities in the United States, including actions taken under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624);

(v) any measure imposed to restrict imports of any other products in order to protect domestic health or safety;

(vi) any measure authorized by, or imposed under, a multilateral or bilateral trade agreement to which the United States is a signatory, including the Uruguay Round Agreements, the North American Free Trade Agreement, the United States-Israel Free Trade Agreement, and the United States-Canada Free Trade Agreement; and

(vii) any prohibition or restriction on the sale, export, lease, or other transfer of any defense article, defense service, or design and construction service under the Arms Export Control Act, or on any financing provided under that Act.

(2) NATIONAL EMERGENCY.—The term ''national emergency'' means any unusual or extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States.

(3) AGRICULTURAL COMMODITY.—The term ''agricultural commodity'' has the meaning given that term in section 102(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5602(1)).

(4) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Agriculture, the Committee on International Relations, the Committee on Ways and Means, and the Committee on Banking and Financial Services of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Finance, and the Committee on Foreign Relations of the Senate.

(5) CONTRACT SANCTITY.—The term ''contract sanctity'', with respect to a unilateral economic sanction, refers to the inapplicability of the sanction to—

(A) a contract or agreement entered into before the sanction is imposed, or to a valid export license or other authorization to export; and

(B) actions taken to enforce the right to maintain intellectual property rights, in the foreign country against which the sanction is imposed, which existed before the imposition of the sanction.

(6) UNILATERAL ECONOMIC SANCTION LEGISLATION.—The term ''unilateral economic sanction legislation'' means a bill or joint resolution that imposes, or authorizes the imposition of, any unilateral economic sanction.

SEC. 805. GUIDELINES FOR UNILATERAL ECONOMIC SANCTIONS LEGISLATION.

It is the sense of Congress that any unilateral economic sanction legislation that is introduced in or reported to a House of Congress on or after the date of enactment of this Act should—

(1) state the foreign policy or national security objective or objectives of the United

States that the economic sanction is intended to achieve;

(2) provide that the economic sanction terminate 2 years after it is imposed, unless specifically reauthorized by Congress;

(3) provide for contract sanctity;

(4) provide authority for the President both to adjust the timing and scope of the sanction and to waive the sanction, if the President determines it is in the national interest to do so;

(5)(A) target the sanction as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted;

(B) not include restrictions on the provision of medicine, medical equipment, or food; and

(C) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in any country against which the sanction may be imposed; and

(6) provide, to the extent that the Secretary of Agriculture finds, that—

(A) the proposed sanction is likely to restrict exports of any agricultural commodity or is likely to result in retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity,

that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by law and by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

SEC. 806. REQUIREMENTS FOR UNILATERAL ECONOMIC SANCTIONS LEGISLATION.

(a) PUBLIC COMMENT.—Not later than 15 days prior to the consideration by the committee of primary jurisdiction of any unilateral economic sanction legislation, the chairman of the committee shall cause to be printed in the Congressional Record a notice that provides an opportunity for interested members of the public to submit comments to the committee on the proposed sanction.

(b) COMMITTEE REPORTS.—In the case of any unilateral economic sanction legislation that is reported by a committee of the House of Representatives or the Senate, the committee report accompanying the legislation shall contain a statement of whether the legislation meets all the guidelines specified in paragraphs (1) through (6) of section 805 and, if the legislation does not, an explanation of why it does not. The report shall also include a specific statement of whether the legislation includes any restrictions on the provision of medicine, medical equipment, or food.

(c) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES AND SENATE.—

(1) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—A motion in the House of Representatives to proceed to the consideration of any unilateral economic sanctions legislation shall not be in order unless the House has received in advance the appropriate report or reports under subsection (d).

(2) CONSIDERATION IN THE SENATE.—A motion in the Senate to proceed to the consideration of any unilateral economic sanctions legislation shall not be in order unless the Senate has received in advance the appropriate report or reports under subsection (d).

(d) REPORTS.—

(1) REPORT BY THE PRESIDENT.—Not later than 30 days after a committee of the House of Representatives or the Senate reports any unilateral economic sanction legislation or the House of Representatives or the Senate receives such legislation from the other House of Congress, the President shall submit to the House receiving the legislation a report containing—

(A) an assessment of—

(i) the likelihood that the proposed unilateral economic sanction will achieve its stated objective within a reasonable period of time; and

(ii) the impact of the proposed unilateral economic sanction on—

(I) humanitarian conditions, including the impact on conditions in any specific countries on which the sanction is proposed to be or may be imposed;

(II) humanitarian activities of United States and foreign nongovernmental organizations;

(III) relations with United States allies;

(IV) other United States national security and foreign policy interests; and

(V) countries and entities other than those on which the sanction is proposed to be or may be imposed;

(B) a description and assessment of—

(i) diplomatic and other steps the United States has taken to accomplish the intended objectives of the unilateral sanction legislation;

(ii) the likelihood of multilateral adoption of comparable measures;

(iii) comparable measures undertaken by other countries;

(iv) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(v) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(vi) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(vii) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(2) REPORT BY THE SECRETARY OF AGRICULTURE.—Not later than 30 days after a committee of the House of Representatives or the Senate reports any unilateral economic sanction legislation affecting the export of agricultural commodities from the United States or the House of Representatives or the Senate receives such legislation from the other House of Congress, the Secretary of Agriculture shall submit to the House receiving the legislation a report containing an assessment of—

(A) the extent to which any country or countries proposed to be sanctioned or likely to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(B) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned or likely to be sanctioned, and specific commodities which are most likely to be affected;

(C) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(D) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(E) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(e) RULES OF THE HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such these rules are deemed a part of the rules of each House, respectively, and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SEC. 807. REQUIREMENTS FOR EXECUTIVE ACTION.

(a) IN GENERAL.—

(1) ANNOUNCEMENT OF INTENT.—Notwithstanding any other provision of law, the President may not implement any new unilateral economic sanction under any provision of law with respect to a foreign country or foreign entity, unless at least 45 days in advance of such implementation, the President publishes notice in the Federal Register of the President's intention to implement such sanction.

(2) NEW UNILATERAL ECONOMIC SANCTION.—For purposes of this section, the term ''new unilateral economic sanction'' means a unilateral economic sanction imposed pursuant to a law enacted after the date of enactment of this Act or a sanction imposed after such date of enactment pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(b) CONSULTATION.—The President shall consult with the appropriate congressional committees regarding a proposed new unilateral economic sanction, including consultations regarding efforts to achieve or increase multilateral cooperation on the issues or problems prompting the proposed sanction.

(c) PUBLIC HEARINGS; RECORD.—The President shall publish a notice in the Federal Register of the opportunity for interested persons to submit comments on the proposed new unilateral economic sanction.

(d) REQUIREMENTS FOR EXECUTIVE BRANCH SANCTIONS.—Any new unilateral economic sanction imposed by the President—

(1) shall—

(A) include an assessment of whether—

(i) the sanction is likely to achieve a specific United States foreign policy or national security objective within a reasonable period of time, which shall be specified; and

(ii) the achievement of the objectives of the sanction outweighs any costs to United States national interests;

(B) provide for contract sanctity;

(C) terminate not later than 2 years after the sanction is imposed, unless specifically extended by the President in accordance with the procedures of this section;

(D)(i) be targeted as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted; and

(ii) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which the sanction may be imposed; and

(E) not include any restriction on the provision of medicine, medical equipment, or food, other than restrictions imposed in response to national security threats, where multilateral sanctions are in place, or restrictions involving a country where the United States is engaged in armed conflict; and

(2) should provide, to the extent that the Secretary of Agriculture finds, that—

(A) a new unilateral economic sanction is likely to restrict exports of any agricultural commodity from the United States or is likely to result in retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity,

that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by law and by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

(e) REPORT BY THE PRESIDENT.—

(1) IN GENERAL.—Prior to imposing any new unilateral economic sanction, the President shall provide a report to the appropriate congressional committees on the proposed sanction. The report shall include the report of the International Trade Commission under subsection (g) (if timely submitted prior to the filing of the report). The President's report shall contain the following:

(A) An explanation of the foreign policy or national security objective or objectives intended to be achieved through the proposed sanction.

(B) An assessment of—

(i) the likelihood that the proposed new unilateral economic sanction will achieve its stated objectives within the stated period of time; and

(ii) the impact of the proposed new unilateral economic sanction on—

(I) humanitarian conditions, including the impact on conditions in any specific countries on which the sanction is proposed to be imposed;

(II) humanitarian activities of United States and foreign nongovernmental organizations;

(III) relations with United States allies;

(IV) other United States national security and foreign policy interests; and

(V) countries and entities other than those on which the sanction is proposed to be imposed.

(C) A description and assessment of—

(i) diplomatic and other steps the United States has taken to accomplish the intended objectives of the proposed sanction;

(ii) the likelihood of multilateral adoption of comparable measures;

(iii) comparable measures undertaken by other countries;

(iv) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(v) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(vi) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(vii) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(2) REPORT ON OTHER SANCTIONS.—In the case of any unilateral economic sanction that is imposed after the date of enactment of this Act, other than a new unilateral economic sanction described in subsection (a)(1) or a sanction that is a continuation of a sanction in effect on the date of enactment of this Act, the President shall not later than 30 days after imposing such sanction submit to Congress a report described in paragraph (1) relating to such sanction.

(f) REPORT BY THE SECRETARY OF AGRICULTURE.—Prior to the imposition of a new unilateral economic sanction by the President, the Secretary of Agriculture shall submit to the appropriate congressional committees a report that shall contain an assessment of—

(1) the extent to which any country or countries proposed to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(2) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned, including specific commodities which are most likely to be affected;

(3) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(4) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(5) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(g) REPORT BY THE UNITED STATES INTERNATIONAL TRADE COMMISSION.—Before imposing a new unilateral economic sanction, the President shall make a timely request to the United States International Trade Commission for a report on the likely short-term and long-term costs of the proposed sanction to the United States economy, including the potential impact on United States trade performance, employment, and growth, the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services, and the economic well-being and international competitive position of United States industries, firms, workers, farmers, and communities.

(h) WAIVER IN CASE OF NATIONAL EMERGENCY.—The President may waive any of the requirements of subsections (a), (b), (c), (d)(1)(B), (e)(1), (f), and (g), in the event that the President determines that there exists a national emergency that requires the exercise of the waiver. In the event of such a waiver, the requirements waived shall be met during the 60-day period immediately following the imposition of the new unilateral economic sanction, and the sanction shall terminate 90 days after being imposed unless such requirements are met. The President may waive any of the requirements of paragraphs (1)(B), (1)(D), (1)(E), and (2) of subsection (d) in the event that the President determines that the new unilateral economic sanction is related to actual or imminent armed conflict involving the United States.

(i) SANCTIONS REVIEW COMMITTEE.—

(1) ESTABLISHMENT.—There is established within the executive branch of Government an interagency committee, which shall be known as the Sanctions Review Committee, which shall have the responsibility of coordinating United States policy regarding unilateral economic sanctions and of providing appropriate recommendations to the President prior to any decision regarding the implementation of any unilateral economic sanction. The Committee shall be composed of the following 11 members, and any other member the President deems appropriate:

(A) The Secretary of State.

(B) The Secretary of the Treasury.

(C) The Secretary of Defense.

(D) The Secretary of Agriculture.

(E) The Secretary of Commerce.

(F) The Secretary of Energy.

(G) The United States Trade Representative.

(H) The Director of the Office of Management and Budget.

(I) The Chairman of the Council of Economic Advisers.

(J) The Assistant to the President for National Security Affairs.

(K) The Assistant to the President for Economic Policy.

(2) CHAIR.—The President shall designate one of the members specified in paragraph (1) to serve as Chair of the Sanctions Review Committee.

(j) INAPPLICABILITY OF OTHER PROVISIONS.—This section applies notwithstanding any other provision of law.

(k) WAIVER OF ADVANCE ANNOUNCEMENT REQUIREMENT.—The President may waive the provisions of subsections (a)(1) and (c) in the case of any new unilateral economic sanction that involves freezing the assets of a foreign country or entity (or in the case of any other sanction) if the President determines that the national interest would be jeopardized by the requirements of this section.

SEC. 808. ANNUAL REPORTS.

(a) ANNUAL REPORT.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, unless otherwise required under existing law, the President shall submit to the appropriate congressional committees a report detailing with respect to each country or entity against which a unilateral economic sanction has been imposed—

(1) the extent to which the sanction has achieved foreign policy or national security objectives of the United States with respect to that country or entity;

(2) the extent to which the sanction has harmed humanitarian interests in that country, the country in which that entity is located, or in other countries; and

(3) the impact of the sanction on other national security and foreign policy interests of the United States, including relations with countries friendly to the United States, and on the United States economy.

(b) REPORT BY THE UNITED STATES INTERNATIONAL TRADE COMMISSION.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the United States International Trade Commission shall report to the appropriate congressional committees on the costs, individually and in the aggregate, of all unilateral economic sanctions in effect under United States law, regulation, or Executive order. The calculation of such costs shall include an assessment of the impact of such measures on the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services.

On page 60, strike lines 4 through 11 and insert the following:

SEC. 717. None of the funds made available by this Act may be used to provide assistance under, or to pay the salaries of personnel who carry out, a market promotion or market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

BRYAN (AND OTHERS) AMENDMENT NO. 3157

Mr. BRYAN (for himself, Mr. REID, Mr. GREGG, Mr. FEINGOLD, and Mr. KERRY) proposed an amendment to the bill, S. 2159, supra; as follows:

DODD (AND OTHERS) AMENDMENT NO. 3158

Mr. DODD (for himself, Mr. WARNER, Mr. ROBERTS, Mr. HAGEL, Mr. DORGAN, Mr. GRAMS, and Mr. HARKIN) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in the bill at the following new section:

SEC. (A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines, and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS. Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS. Section (B)(1) of this section shall not apply to any regulations or restrictions of such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE. This section shall take effect on the date of enactment of this act.

ROBERTS AMENDMENT NO. 3159

Mr. ROBERTS proposed an amendment to amendment No. 3158 proposed by Mr. DODD to the bill, S. 2159, supra; as follows:

Strike all after the first word in the pending amendment and insert in lieu thereof the following:

''(A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.''.

TORRICELLI (AND GRAHAM) AMENDMENT NO. 3160

Mr. TORRICELLI (for himself and Mr. GRAHAM) proposed an amendment to amendment No. 3158 proposed by Mr. DODD to the bill, S. 2159, supra; as follows:

At the end of the amendment add the following:

Notwithstanding any other provision of this section Section B(2) shall read as follows:

(2) Exceptions. Section (B)(1) of this section shall not apply to any country that—

(1) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

(2) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment; or to

(3)

KERREY (AND OTHERS) AMENDMENT NO. 3161

Mr. KERREY (for himself, Mr. DASCHLE, Mr. JOHNSON, Mr. CONRAD, Mr. DORGAN, Mr. WELLSTONE, Mr. BAUCUS, and Mr. HARKIN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23 add the following:

SEC. 7___. LIVESTOCK INDUSTRY IMPROVEMENT.

(a) DOMESTIC MARKET REPORTING.—

(1) IN GENERAL.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking ''(g) To'' and inserting the following:

''(g) COLLECTION AND DISSEMINATION OF MARKETING INFORMATION.—

''(1) IN GENERAL.—The Secretary shall''; and

(B) by adding at the end the following:

''(2) DOMESTIC MARKET REPORTING.—

''(A) MANDATORY REPORTING PILOT PROGRAM.—

''(i) IN GENERAL.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

''(ii) NONCOMPLIANCE.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

''(iii) CEASE AND DESIST AND CIVIL PENALTY.—

''(I) IN GENERAL.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

''(II) CONSIDERATIONS.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

''(iv) REFERRAL TO ATTORNEY GENERAL.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

''(B) VOLUNTARY REPORTING.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

''(C) AVAILABILITY OF INFORMATION.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

''(i) the identity of the person submitting a report is not disclosed; and

''(ii) the confidentiality of proprietary business information is otherwise protected.

''(D) EFFECT ON OTHER LAWS.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.''.

(2) TECHNICAL AMENDMENT.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking ''The Secretary is directed and authorized:''; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking ''To'' and inserting ''The Secretary shall''.

(b) PROHIBITION ON NONCOMPETITIVE PRACTICES.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting ''; or''; and

(2) by adding at the end the following:

''(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.''.

(c) PROTECTION OF LIVESTOCK PRODUCERS AGAINST RETALIATION BY PACKERS.—

(1) RETALIATION PROHIBITED.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking ''or subject'' and inserting ''subject''; and

(B) by inserting before the semicolon at the end the following: '', or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer''.

(2) SPECIAL REQUIREMENTS REGARDING ALLEGATIONS OF RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

''(e) SPECIAL PROCEDURES REGARDING ALLEGATIONS OF RETALIATION.—

''(1) CONSIDERATION BY SPECIAL PANEL.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

''(2) COMPLAINT; HEARING.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

''(3) EVIDENTIARY STANDARD.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.''.

(3) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

''(f) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—

''(1) IN GENERAL.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

''(2) ENFORCEMENT.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

''(3) OTHER REMEDIES.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.''.

(d) REVIEW OF FEDERAL AGRICULTURE CREDIT POLICIES.—

The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

GRAHAM (AND MACK) AMENDMENT NO. 3162

Mr. GRAHAM (for himself and Mr. MACK) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 29, after line 21, add the following:

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000; to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

COVERDELL AMENDMENT NO. 3163

Mr. COCHRAN (for Mr. COVERDELL) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 14, line 17 before the period, insert the following:

'': *Provided*, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

DEWINE (AND HUTCHINSON) AMENDMENT NO. 3164

Mr. COCHRAN (for Mr. DEWINE for himself and Mr. HUTCHINSON) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in title VII, insert the following:

SEC. ___. METERED-DOSE INHALERS.

(a) FINDINGS.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the ''Montreal Protocol'') requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the ''proposal''); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

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

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments and the information contained in the comments FDA has received on the proposal, the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

HARKIN (AND GRASSLEY) AMENDMENT NO. 3165

Mr. COCHRAN (for Mr. HARKIN for himself and Mr. GRASSLEY) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 20, line 7, strike ''expended'' and insert: ''expended: *Provided*, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa''.

COCHRAN AMENDMENT NO. 3166

Mr. COCHRAN proposed an amendment to the bill, S. 2159, supra; as follows:

On page 31, line 4, after strike ''$638,231,000'' and inset in lieu thereof ''$638,664,000''.

KEMPTHORNE (AND OTHERS) AMENDMENT NO. 3167

Mr. COCHRAN (for Mr. KEMPTHORNE for himself, Mr. BAUCUS, Mr. CRAIG, Mr. JOHNSON, Mr. THOMAS, Mr. FAIRCLOTH,

and Mr. DORGAN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 14, line 5, after the semicolon, insert ''$1,000,000 for a secondary agriculture education program (7 U.S.C. 3152(h));''.

On page 14, line 17, strike ''$436,082,000'' and insert ''$437,082,000.''

On page 35, line 7, strike ''$703,601,000'' and insert ''$702,601,000.''

BRYAN AMENDMENT NO. 3168

Mr. COCHRAN (for Mr. BRYAN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7___. REPORT ON MARKET ACCESS PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A–94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program;

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional effort in sponsored markets for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall submit an evaluation of the report to the committees specified in subsection (C).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GRAHAM (AND MACK) AMENDMENT NO. 3169

Mr. COCHRAN (for Mr. GRAHAM, for himself and Mr. MACK) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 19, line 10, before the period, insert the following: '': *Provided further,* That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection''.

On page 19, line 23, strike ''$95,000,000'' and insert ''$93,000,000''.

JOHNSON (AND BURNS) AMENDMENT NO. 3170

Mr. COCHRAN (for Mr. JOHNSON for himself and Mr. BURNS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23 add the following:

TITLE VIII—MEAT LABELING

SEC. 801. DEFINITIONS.

Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

''(w) BEEF.—The term 'beef'' means meat produced from cattle (including veal).

''(x) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

''(y) BEEF BLENDED WITH IMPORTED MEAT.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product that contains United States beef and any imported meat.

''(z) LAMB BLENDED WITH IMPORTED MEAT.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

''(aa) IMPORTED BEEF.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

''(bb) IMPORTED LAMB.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

''(cc) UNITED STATES BEEF.—

''(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States beef' does not include—

''(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

''(B) beef produced from imported carcasses;

''(C) imported beef trimmings; or

''(D) imported boxed beef.

''(dd) UNITED STATES LAMB.—

''(1) IN GENERAL.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States lamb' does not include—

''(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

''(B) lamb produced from an imported carcass;

''(C) imported lamb trimmings; or

''(D) imported boxed lamb.''.

SEC. 802. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) LABELING REQUIREMENT.—

(1) IN GENERAL.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

''(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

''(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

''(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).''.

(2) CONFORMING AMENDMENT.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: ''All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.''.

(b) GROUND OR PROCESSED BEEF AND LAMB.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

''(g) GROUND OR PROCESSED BEEF AND LAMB.—

''(1) VOLUNTARY LABELING.—Subject to paragraph (2), the Secretary shall provide by regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(2) MANDATORY LABELING.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(B) APPLICATION.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.''.

(c) GROUND BEEF AND GROUND LAMB LABELING STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) COSTS AND RESPONSES.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 803. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

HOMEOWNERS PROTECTION ACT OF 1998

SANTORUM (AND SPECTER) AMENDMENT NO. 3171

Mr. DEWINE (for Mr. SANTORUM for himself and Mr. SPECTER) proposed an amendment to the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes; as follows:

SEC. . Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation ''(A)'' immediately after the paragraph designation ''(4)'';

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) adding at the end thereof the following new subparagraph:

''(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under Chapter 11 of Title 11 of the United States Code between July 1 and December 31, 1998.''

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a full committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, July 22, 1998 at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to consider the nomination of Bill Richardson to be Secretary of the Department of Energy.

For further information, please contact Gary Ellsworth of the Committee staff at (202) 224–7141.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the full committee business meeting of the Committee on Energy and Natural Resources originally scheduled for Wednesday, July 22, 1998 has been rescheduled for Wednesday, July 29, 1998.

The business meeting will take place at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please contact Gary Ellsworth of the Committee staff at (202) 224–7141.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 15, 1998, to conduct a hearing on the practice of automated teller machine surcharging.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, July 15, 1998, at 2:00 p.m. on S. 2107—Government Paperwork Elimination Act.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 15, for purposes of conducting a full committee hearing which is scheduled to begin at 9:00 a.m. The purpose of this hearing is to receive testimony on H.R. 856, a bill to provide a process leading to full self-government for Puerto Rico; and S. 472, a bill to provide for referenda in which the residents of Puerto Rico may express democratically their preferences regarding the political status of the territory, and for other purposes.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be granted permission to conduct a hearing Wednesday, July 15, 11:00 a.m., Hearing Room (SD–406), to receive testimony from Nikki L. Tinsley, nominated by the President to be Inspector General, Environmental Protection Agency.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, July 15, 1998 at 10:30 am for a business meeting.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 9:30 a.m. to Mark-Up the following: S. 1905, Cheyenne River Sioux Compensation; S. 391, Mississippi Sioux Judgment Funds; H.R. 700, Agua Caliente and S. 109, Native Hawaiian Housing. Immediately following the Mark-Up the Committee will hold a HEARING on S. 2097, Indian Tribal Conflict Resolution and Tort Claims and Risk Management Act of 1998. The meeting/hearing will be held in room G–50 of the Dirksen Senate Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. 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 15, 1998 at 9:00A.M. in room 226 of the Senate Dirksen Office Building to hold a hearing on: ''Department of Justice Oversight.''

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

COMMITTEE ON SMALL BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for a hearing entitled ''Home Health Care: Can Small Agencies Survive New Regulations?'' the hearing will begin at 9:45 a.m. on Wednesday, July 15, 1998, in room 428A Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 2:30 p.m. to hold an open hearing.

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

SPECIAL COMMITTEE ON AGING

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on July 15, 1998 at 1:30 to 5:00 p.m. in Dirksen 628 for the purpose of conducting a hearing.

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

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 2:00 pm to hold a hearing.

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

ADDITIONAL STATEMENTS

EARTH SCIENCE WEEK

● Mr. WYDEN. Mr. President, in the nineteenth century, Merriwether Lewis and William Clark explored the western reaches of our expanding country. As they explored my home region of the Pacific Northwest, Lewis and Clark cataloged the mineral and natural resources of the land. In particular, they spoke of a mighty river known to the local inhabitants as Nch'i Wana, the Great River. We know it today as the Columbia River and its importance as a reliable source of water and power to the people of the Pacific Northwest is undeniable.

When Twentieth Century American explorers embarked on a similar journey to explore the Moon, one of their earliest actions was to bend down to the surface and pick up a rock. That simple movement framed an ancient reflex that underscores the basic imperative to explore our surroundings. Today, I want to recognize the important role played by the earth sciences in expanding our economy, supporting our national goals, and increasing our knowledge of the larger world.

Modern geophysical research reveals that ours is a dynamic planet. On the Earth's surface, great tectonic plates shift continental positions with terrific force. On the ocean's surface, microscopic plants and animals help regulate global atmospheric gases and serve as the foundation of our planet's food web. In the deep ocean abyss, mysterious and wondrous animal communities thrive in endless darkness by deriving life-sustaining nutrients from active volcanic vents.

Earth science is a global science that speaks a global language and unites people by promoting sustainable development. The study of earth science provides the skills necessary for locating and utilizing natural resources, understanding natural processes that often conflict with human designs, and comprehending our natural heritage through the unusual perspective of geologic time. The unique panorama of geologic time allows us to observe the full range of natural processes on Earth and aids in developing a comprehensive view of the natural world beyond a perspective limited only to that of human influence.

In my home state of Oregon, we celebrate the land and respect the power of nature. We have learned to protect our citizens and expand our economy by working with nature and prudently mitigating natural hazards. In consideration of the importance of the earth sciences in the daily lives of all Americans, I submit, for the RECORD, the resolution issued by the Association of American State Geologists.

The resolution follows:

Whereas the earth sciences are fundamental to society; and

Whereas the earth sciences are integral to finding, developing, and conserving mineral, energy, and water resources needed for society; and

Whereas the earth sciences promote public safety by preparing for and mitigating natural hazards such as floods, landslides, earthquakes, volcanic eruptions, sinkholes, and coastal erosion; and

Whereas the earth sciences are crucial to environmental and ecological issues ranging from climate change and water and air quality to waste disposal; and

Whereas geological factors of resources, hazards, and environment are vital to land management and land use decisions at local, state, regional, national, and international levels; and

Whereas the earth sciences contribute critical information that enhances our understanding of Nature,

Therefore, be it resolved that the second full week of October henceforth be designated as Earth Science Week.●

DR. BOB LEFTWICH

● Mr. COVERDELL. Mr. President, I rise today to commend the exemplary efforts of Dr. Bob Leftwich, a school councelor in Ellijay, Georgia. Over the past years, Dr. Leftwich has worked with students in his area by talking to them about life and their futures. In his discussions, he has urged students to be the very best they can be and to make firm commitments to excellence.

Dr. Leftwich is a prime example of a hero in my book. He is a committed advocate for young people and the freedoms they can achieve through hard work and perseverance.

It is people like Bob, with the motivation he brings to our students, who will be remembered when these students are the leaders of our great nation. They will no doubt look back and remember the impact that this individual had on their lives. And hopefully they will follow his lead by getting involved with young people themselves.

Once again, Mr. President, I would like to thank Dr. Leftwich for his dedication to excellence. His work should serve as an encouragement to others to become more involved with the education of our nation's youth.●

NEBRASKA GIRL SCOUT GOLD AWARD RECIPIENTS

● Mr. KERREY. Mr. President, I would like to recognize seventeen outstanding young Nebraska women who have been honored with the Girl Scout Gold Award, the highest achievement award a U.S. Girl Scout can attain.

The Girl Scout Gold Award symbolizes outstanding accomplishment in leadership, community service, career planning, and personal development. This year's winners completed projects such as creating a multicultural mural at a local school; cleaning, rust-proofing, and painting bathhouses at Two Rivers State Park; and building a large scale doll house that will teach independent living skills to children at the Hattie B. Munroe Center. The Nebraska recipients were honored by the Great Plains Girl Scout Council in Omaha, Nebraska.

Girl Scouts of the U.S.A., an organization serving over two and a half million girls, has awarded more than 20,000 Girl Scout Gold Awards to Senior Girls Scouts since the inception of the program in 1980. The Gold Award represents the culmination of the achievement of many goals.

I would today like to honor these Nebraskans for their exceptional efforts in attaining the Gold Award: Megan Rachel Adams, Alyssa Ann Arthur, Gina R. Dowis, Elizabeth Ann Holland, Melody E. Jones, Sara Anne Jones, Kjirsten R. Kellogg, Stefanie Kudera, Tera R. Maeder, Katie Michalski, Stephanie Jane Patton, Kelly Peters, Marie Roscoe, Melissa Jo Scurlock, Elizabeth A. Sigler, Karianne Sis, and Samantha Waterman. I salute them for their significant service to their community and our country.●

NELSON MANDELA CONGRESSIONAL GOLD MEDAL ACT

● Mr. D'AMATO. Mr. President, I rise to make a few comments regarding the passage of H.R. 3156 late yesterday. This bill authorizes the President to present, on behalf of Congress, the Congressional Gold Medal to Nelson Mandela. I am very pleased that the Senate has acted swiftly to pass this legislation.

The Congressional Gold Medal is the highest honor that the United States Congress may bestow on a civilian. This prestigious award has been bestowed on a variety of people whose leadership and lives have left an indelible impression on our great nation. President Mandela is without a doubt, one of those persons who has earned our recognition through his leadership in the quest for freedom and equality.

His ongoing struggle for such noble causes has carried the people of South Africa into a new era. And, his compassion for the downtrodden has been felt around the world uplifting all people suffering from oppression.

Mr. President, I would like to thank the ranking member of the Senate Banking Committee, Senator SARBANES for his efforts in seeing this legislation through the Senate in an expedited manner. I would also like to thank Congressman HOUGHTON for first introducing this bill, H.R. 3156, in the House and for all of his hard work and leadership.●

TRIBUTE TO ED WILLIAMS

● Mr. CLELAND. Mr. President, I rise today to honor Ed Williams of Valdosta, Georgia, a man who has dedicated more than three decades of his life to bringing a Veterans Clinic to the Valdosta area. His dreams and hard work were realized with the April 28, 1998 opening and dedication of the new Valdosta Veterans Health Care Clinic.

Ed is one of the few survivors of the original group of veterans who began working to bring a veterans clinic to Valdosta 35 years ago. I commend and

graciously thank Ed Williams for all of his determination and hard work over the years in bringing this clinic to Valdosta.

The Valdosta Veterans Health Care Clinic, located at 2123 N. Ashley St. in Valdosta, will serve the 7,000 veterans in Lowndes County and almost 5,000 veterans in the surrounding counties. The veterans of Georgia owe Mr. Williams the deepest gratitude and appreciation for his tireless efforts to secure the new facility.

Mr. President, I would like to acknowledge and honor Ed Williams for his outstanding and innumerable contributions over the years to the Valdosta area, to the State of Georgia and to our Nation. He has dedicated his life to inspiring and improving us all, and I ask my colleagues to join me in saluting and congratulating Ed Williams on the opening of the Valdosta Veterans Health Care Clinic. It is great to see all of Ed's hard work pay off!●

CHILD CUSTODY PROTECTION

● Mr. ABRAHAM. Mr. President, I rise to bring to my colleagues' attention an opinion piece from the New York Times by Bruce A. Lucero. Mr. Lucero until recently owned and operated the ''New Woman, All Women Health Care'' abortion clinic and remains, in his words, ''staunchly pro-choice.'' He also supports my Child Custody Protection Act, S. 1645, currently being marked-up in the Judiciary Committee. This article shows, I believe, that even strong pro-choice advocates have good reason to join with those of us who are pro-life in supporting parental involvement in their daughters' decision whether or not to have an abortion.

In his article, Mr. President, Mr. Lucero points out that the Child Custody Protection Act is important for the health of teen-age girls across America. By making it illegal for anyone to take a minor across state lines for an abortion without first meeting the home state's parental notification requirements, this Act sees to it that parents are involved in their daughter's critical medical decision of whether to have an abortion. Where teen-agers cannot consult their parents, for example because of abuse, a judge may waive the parental notification requirement. But as Mr. Lucero points out, parents almost always are the best source of emotional support and financial assistance for girls facing unplanned pregnancies. In addition, teen-age girls who avoid consulting their parents too often end up having later term, more dangerous procedures and avoiding necessary follow-up care. These factors combine to increase medical risks significantly for teen-age girls who undergo secret abortions.

Mr. Lucero calls for people on both sides of the abortion issue to join in supporting the Child Custody Protection Act. As he states, ''The only way we can and should keep abortions legal is to keep them safe. To fight laws that would achieve this does no one any good—not the pregnant teen-agers, the parents or the pro-choice movement.''

I hope my colleagues on both sides of the aisle and on both sides of the abortion issue will take seriously Mr. Lucero's point, that the health and well-being of the teen-age girls of America is too important to allow ideology to keep their parents from fully participating in crucial decisions such as whether or not to have an abortion, and I urge them to support S. 1645, the Child Custody Protection Act.

I ask that the full text of Mr. Lucero's article be printed in the RECORD.

The article follows:

[From the New York Times, July 12, 1998]

PARENTAL GUIDANCE NEEDED

(By Bruce A. Lucero)

Alexandria, VA.—I am a doctor who performed some 45,000 abortions during 15 years in practice in Alabama. Even though I no longer perform abortions, I am still staunchly pro-choice.

But I find that I disagree with many in the pro-choice movement on the issue of parental notification laws for teen-agers. Specifically, I support the Child Custody Protection bill now being considered by Congress. Under the legislation, it would be illegal for anyone to accompany a minor across state lines for an abortion if that minor failed to meet the requirement for parental consent or notification in her home state.

The legislation, which the House is scheduled to vote on this week, is important not only to the health of teen-age girls, but to the pro-choice movement as well.

Opponents of the measure believe that the bill would simply extend the reach of a state's parental notification or consent law to other states. And they claim that teen-agers would resort to unsafe abortions rather than tell their parents.

In truth, however, in most cases a parent's input is the best guarantee that a teen-ager will make a decision that is correct for her—be it abortion, adoption or keeping the baby. And it helps guarantee that if a teen-ager chooses an abortion, she will receive appropriate medical care.

In cases where teen-agers can't tell their parents—because of abuse, for instance—parental notification laws allow teen-agers to petition a judge for a waiver.

Society has always decided at what age teen-agers should have certain rights—be it the right to drive a car or the right to vote. In the same way, society should determine at what age a minor has the right to an abortion without notifying their parents.

In almost all cases, the only reason that a teen-age girl doesn't want to tell her parents about her pregnancy is that she feels ashamed and doesn't want to let her parents down.

But parents are usually the ones who can best help that teen-ager consider her options. And whatever the girl's decision, parents can provide the necessary emotional support and financial assistance. Even in a conservative state like Alabama, I found that parents were almost always supportive.

If a teen-ager seeks an abortion out of state, however, things become infinitely more complicated. Instead of telling her parents, she may delay her abortion and try to scrape together enough money—usually $150 to $300—herself. As a result, she often waits too long and then has to turn to her parents for help to pay for a more expensive and riskier second-trimester abortion.

Also, patients who receive abortions at out-of-state clinics frequently do not return for follow-up care, which can lead to dangerous complications. And a teen-ager who has an abortion across state lines without her parents' knowledge is even more unlikely to tell them that she is having complications.

Ultimately, the pro-choice movement hurts itself by opposing these kinds of laws. I have had many parents sit in my office with their teen-age daughter and say, ''We never thought this would happen to us'' or, ''We were against abortion, but now it is different.''

The hard truth is that people often become pro-choice only when they experience an unwanted pregnancy or when their daughter does. Too often, pro-choice advocates oppose laws that make common sense simply because the opposition supports or promotes them. The only way we can and should keep abortions legal is to keep them safe. To fight laws that would achieve this end does no one any good—not the pregnant teen-agers, the parents or the pro-choice movement.●

Y2K PROBLEM

● Mr. MOYNIHAN. Mr. President, President Clinton yesterday called for urgent action regarding the Year 2000 (Y2K) problem in a speech at the National Academy of Sciences. The President stated ''This is clearly one of the most complex management challenges in history.'' He cited progress in American business and the Federal Government in preparing for the Y2K problem, while simultaneously noting ''far too many businesses, especially small-and medium-sized firms, will not be ready unless they begin to act.''

I am pleased to see that President Clinton is speaking openly about the seriousness of the Y2K computer problem. Over two years ago I stated ''that the Year 2000 problem is indeed serious, and that fixing it will be costly and time-consuming. The problem deserves the careful and coordinated attention of the Federal Government, as well as the private sector, in order to avert major disruptions on January 1, 2000.'' On July 31, 1996 I sent President Clinton a letter expressing my views and concerns about Y2K. I warned him of the ''extreme negative economic consequences of the Y2K Time Bomb,'' and suggested that ''a presidential aide be appointed to take responsibility for assuring that all Federal Agencies, including the military, be Y2K compliant by January 1, 1999 [leaving a year for 'testing'] and that all commercial and industrial firms doing business with the federal government must also be compliant by that date.''

I trust the President's acknowledgment of the Y2K issue as a grave and pervasive problem will prompt the agencies and private sector to act quickly. Yet having spent two years studying the problem and warning of the lagging progress of federal agencies in addressing it, I must state that combating the millennium bug at this late date ''looks to be the 13th labor of Hercules.'' I can only hope that both American businesses and the Federal Government follow the President's

warnings and begin to give this problem the attention it deserves.●

GERARD AND MYRIAM UBAGHS

● Mr. BREAUX. Mr. President, I rise today to commemorate the efforts of Gerard and Myriam Ubaghs of Margraten, Netherlands, who have cared for the graves of American servicemen killed in the line of duty during World War II. In September of 1944, the United States Army reached the German frontier and entered the Netherlands near the city of Maastricht. By September 13, 1944, the troops of the U.S. 30th Infantry Division liberated part of eastern Holland, freeing the area from the grip of Nazi Germany. During the battle, 8,302 soldiers lost their lives including American servicemen from every state in the Union.

I, as well as all American citizens, am truly thankful for the bravery, valor, and patriotism shown by our soldiers who fought and died for their country on that day and every day of World War II. These servicemen not only gave their lives for their country, but also died for the people of the Netherlands. For this, the citizens of the Netherlands have been and remain truly grateful to the fallen soldiers of the U.S. Army.

One manifestation of their appreciation is their care for the Netherlands American Cemetery in the town of Margraten, in the Limburg Province of the Netherlands. This cemetery is the only one of its kind in the Netherlands. It was established in November of 1944 and free use of the land as a permanent burial ground was granted, without charge or taxation by the government of the Netherlands. The cemetery occupies 65.5 acres and includes a 101 foot-tall tower, a Court of Honor, a chapel and a reflecting pool. Among the 8,302 graves lie the remains of American, English, Canadian and Mexican troops.

I would like to thank not only the people of the Netherlands for this cemetery, but two individuals in particular who have honored our fallen servicemen for fifty-three years. They are Gerard and Myriam Ubaghs. As children, after the liberation of their town by American troops, they adopted and cared for two graves until the bodies were identified and returned to the United States. To this day, they continue to honor our fallen soldiers and express much gratitude to America.

I would like to officially acknowledge the Ubaghs and the people of Margraten, and thank them for their gracious deeds and for honoring our fallen soldiers. Their service is a reminder to all of us how the efforts of such brave soldiers on a day more than fifty years ago effects people around the world even today.●

CONGRESSIONAL GOLD MEDALS TO THE ''LITTLE ROCK NINE''

Mr. BUMPERS. Mr. President, in just a moment, staff will have a bill that I introduced several months ago. I would like to just discuss it briefly so we can get that behind us before I offer it.

But this is an amendment that would award the Congressional Gold Medal to the nine African American children who integrated Little Rock Central High during probably the greatest threat to the Constitution since the Civil War. I lived through it. I was in a small town in western Arkansas called Charleston. That is my hometown, where I was born and reared.

My hometown had integrated in 1954, very quietly and very peacefully, a town of 1,200 people at the time. Our schools had successfully integrated from the fall of 1954 until Governor Faubus called out the Guard to block integration at Little Rock Central High School in Little Rock.

Let me also say that Charleston, this little hometown of mine which I am seeking to get designated a national commemorative site by the Park Service this year, was the first school to integrate following the Brown v. Board of Education decision in May of 1954. I was on the school board during that time, and we integrated the school that fall. There is still some controversy because good records were not kept about how many African American children were integrated into the school system.

It went along smoothly. There were some schools that wouldn't play us in football, and there were some schools that wouldn't allow our band to participate, because we had African Americans on the football team and in the band. We lived with that as best we could. There was a lot of seething undercurrent. Even though it had gone peacefully for 3 years, there was still an unrest among some.

After the turmoil in Little Rock, that seething unrest surfaced. I will never forget, Mr. President, I was trying a lawsuit on the third floor of Logan County Courthouse in Paris, AR, and I heard these rumbling trucks going down Highway 22 from Fort Chaffee which came through my hometown to Little Rock to provide the logistical support for the 101st Airborne which President Eisenhower had sent in to Little Rock to enforce the integration of that school.

It was a very ominous, frankly, rather terrifying time. I was not as concerned about what was going on in Little Rock—though that was terrifying and certainly to the people in Little Rock it was terrifying—as I was with the certain knowledge in my own mind that we were in for big trouble in my hometown, too, because I knew, as I say, that seething unrest was going to be fortified and encouraged to try to do the same thing, and sure enough it happened.

We had a big knock-down-drag-out election in March of 1958, and the whole issue was: Shall we stay integrated or shall we re-segregate?

I convinced a friend of mine to run to fill one of the vacancies that had been created because things got so hot a couple of board members resigned. I think there were about 600 votes cast in that election, probably five times more than ever had been cast in a school election in Charleston, AR, in its history. In any event, the so-called ''moderates'' won overwhelmingly, and that put the issue to rest in my hometown.

Back to the Little Rock Nine. Ernie Green testified in the Energy Committee the other day in support of a bill to make Central High School in Little Rock a unit of the Park Service. He was one of the Little Rock Nine, later was Assistant Secretary of Labor when Jimmy Carter was President.

Anybody who didn't live through that time can never understand what a traumatic period that was for my State. We didn't attract a single industry in the State of Arkansas for almost 10 years after the Little Rock High School integration crisis. But those nine young black children who were escorted into that school in the fall of 1957 by paratroopers from the 101st Airborne showed more bravery than anybody I have ever seen in my life. It was absolutely unbelievable.

They have been recognized in a lot of ways, but S. 1283 would provide them with the Congressional Gold Medal. It is an honor that they are due and that is long overdue. This bill was recently reported out of the Banking Committee and is now on the Calendar. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 465, S. 1283.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1283) to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment on page 4, so as to make the bill read:

S. 1283

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

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress hereby finds the following:

(1) Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, hereafter in this section referred to as the ''Little Rock Nine'', voluntarily subjected themselves to the bitter stinging pains of racial bigotry.

(2) The Little Rock Nine are civil rights pioneers whose selfless acts considerably advanced the civil rights debate in this country.

(3) The Little Rock Nine risked their lives to integrate Central High School in Little Rock, Arkansas, and subsequently the Nation.

(4) The Little Rock Nine sacrificed their innocence to protect the American principle that we are all ''one nation, under God, indivisible''.

(5) The Little Rock Nine have indelibly left their mark on the history of this Nation.

(6) The Little Rock Nine have continued to work toward equality for all Americans.

SEC. 2. CONGRESSIONAL GOLD MEDALS.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of Congress, to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred to as the ''Little Rock Nine'', gold medals of appropriate design, in recognition of the selfless heroism such individuals exhibited and the pain they suffered in the cause of civil rights by integrating Central High School in Little Rock, Arkansas.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a) the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary for each recipient.

(c) AUTHORIZATION OF APPROPRIATION.—Effective October 1, 1997, there are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 3. DUPLICATE MEDALS.

(a) STRIKING AND SALE.—The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medals struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

(b) REIMBURSEMENT OF APPROPRIATION.—The appropriation used to carry out section 2 shall be reimbursed out of the proceeds of sales under subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. COMMEMORATIVE COINS.

(a) IN GENERAL.—Section 101(7)(D) of the United States Commemorative Coin Act of 1996 (Public Law 104–329, 110 Stat. 4009) is amended to read as follows:

''(D) MINTING AND ISSUANCE OF COINS.—The Secretary—

''(i) may not mint coins under this paragraph after July 1, 1998; and

''(ii) may not issue coins minted under this paragraph after December 31, 1998.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be construed to have the same effective date as section 101 of the United States Commemorative Coin Act of 1996.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

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

The committee amendment was agreed to.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the bill, as amended, be read for the third time, passed and the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed in the RECORD at the appropriate place as if read.

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

The bill (S. 1283), as amended, was considered read the third time and passed.

Mr. BUMPERS. 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. Without objection, it is so ordered.

JUSTICE DEPARTMENT TRAVEL OVERSEAS

Mr. GORTON. Mr. President, the Justice Department is out of control. Evidence is mounting that officials at the Department's Antitrust Division has been traveling around the world urging foreign governments to join them in their witch hunt against Microsoft.

The Administration is offering a helping hand to U.S. competitors overseas. While foreign governments work hard to protect their most important industries, our Justice Department is assisting those foreign governments in their efforts to keep one of America's most vibrant, innovative, and successful companies out of their markets.

In a letter sent yesterday to Attorney General Janet Reno, my colleagues Senators SESSIONS, ABRAHAM, and KYL raised provocative questions about the activities of Justice Department officials overseas. They have learned that Joel Klein and his staff at the Department's Antitrust Division are busily recruiting their foreign counterparts to join in their war against Microsoft.

First and foremost, Mr. President, I would like to know what Justice Department officials, whose work focuses exclusively on issues here at home, are doing traveling overseas at taxpayer's expense. According to the letter, in the last 6 months, Joel Klein has traveled to Japan, Russell Pittman, chief of the Competition Policy Section of the Antitrust Division has visited Brazil, Dan Rubinfeld, chief economist for the Antitrust Division has gone to Israel, and Deputy Assistant Attorney General Douglas Melamed spent a week in Paris in June.

At a time when Joel Klein has been complaining that his division does not have enough money or people to do its job effectively, he and his staff are traveling around the world on the Justice Department's dime. And they are using those foreign visits as a bully pulpit to tout the merits of their case against Microsoft and to encourage foreign governments to join in the attack.

This activity is reprehensible. It is even more egregious when one notes that it is being financed by the American people—many of whom may wind up losing their jobs and their livelihoods if Joel Klein is successful.

We need some answers, Mr. President. Does the Attorney General consider such activities on the part of the Antitrust Division legitimate? Is Joel Klein working on behalf of U.S. taxpayers or against them? How much is the antitrust division spending to send its employees around the world? Which foreign competitors have benefited?

Here is the evidence my colleagues have compiled to date:

Joel Klein visited Japan to meet with the Japanese Fair Trade Commission last December. A month later, the Trade Commission raided Microsoft's Tokyo offices, confiscating thousands of company documents.

When Russell Pittman went to Brazil in May, he spoke publicly to senior Brazilian government officials responsible for antitrust enforcement in that country, outlining the Justice Department's case against Microsoft in detail. Nine days later, the Brazilian government announced its intention to begin legal proceedings against the company.

A quote from Mr. Pittman at this event is particularly troubling, and, I might add, somewhat ironic. He accused Microsoft of behaving ''like an arrogant monopolist, even acting arrogantly in its relations with the antitrust authorities. It will receive from these agencies what it deserves.'' Who is calling whom arrogant? A Government bureaucrat on a taxpayer-funded jaunt to Brazil? If the situation were not so serious, I would find this quote to be quite ironic, Mr. President.

In Israel in May, Dan Rubinfeld gave a public speech on the department's case against Microsoft to an audience that included Israeli public officials responsible for antitrust enforcement. He later met privately, along with his sidekicks from the Federal Trade Commission, with a group of Israeli Government officials to outline the Department of Justice's complaint against Microsoft.

Not surprisingly, the Israeli Government is now in discussions with Microsoft concerning its business practices in that country.

And finally, on June 8, Douglas Melamed briefed the OECD's Competition Law and Policy Committee in Paris on the strengths of the department's case against Microsoft. The OECD Committee includes officials from Europe, Japan, Canada, and Brazil.

I applaud Senators SESSIONS, ABRAHAM, and KYL for bringing this issue to light, Mr. President. It is just one in a series of steps by the administration to tie the hands of successful U.S. companies.

The American people deserve to know how and why the administration is using their money and why thousands of jobs in my home State of Washington and across the United States are being put on the line by a contemptuous group of bureaucrats over at the Justice Department.

I demand that Attorney General Reno do right and answer the questions raised by my colleagues promptly and completely.

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

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

HEALTH CARE

Mr. DEWINE. Mr. President, I rise tonight to talk about health care, managed care, and the several proposals in Congress that attempt to address these issues.

Mr. President, just this morning, the assistant Republican leader, Senator NICKLES, and his Republican working group, unveiled an outline of a bill they are developing, a bill that they intend to shortly introduce.

This is clearly an issue that affects all Americans. Back home in Ohio, I hear constantly from my constituents about the issues involving managed care and the new world of health care that we all live in.

Mr. President, I recognize and share the concerns that many Americans have with the cost and the quality of health care and of managed care. As the father of eight children, I visited emergency rooms and I visited pediatricians' offices. I hear and I understand parents' concerns about all the new hurdles in health care. I understand the problems of parents struggling to try to get a doctor's appointment for their children, the difficulty in trying to get managed care plans to authorize care, and the concern that their children will not get needed care if that care is not authorized.

Mr. President, these are problems shared by millions of American families. They are problems Congress must deal with. But as we look at this issue, and all the problems and concerns that go with them, we need to be careful. We need to be careful that we do not create solutions that are really worse than the problems.

For example, as we look at regulating managed care, we have to be careful about the impact of proposed regulations on the availability of that care. Certainly I do not believe any of us wants to see fewer people being able to get health insurance as a result of our good intentions. That is why we need to be sure that whatever Congress does, we do not cause health care costs to significantly increase. We know that the only result of higher costs will be a health care system that many companies and individuals will simply not be able to afford, meaning more Americans will be denied quality health insurance.

So where do things stand right now? Obviously, several health care proposals already have been introduced and talked about, such as the Patient Access to Responsible Care Act, or PARCA, and also the Democrat's Patients' Bill of Rights. Other options are being developed. I already mentioned the legislation being developed by my colleague from Oklahoma, Senator NICKLES, and a Republican working group. The House of Representatives is considering their own proposals as well.

The bottom line is this: It is clear that Congress needs to consider managed care reform legislation. I am eager to work with my colleagues to make sure some crucial issues, particularly the issues that face America's children, are in fact addressed.

Mr. President, while I would like to see specific language—after all, as we always say, the devil is always in the details—I believe that the legislation unveiled today by the Senator from Oklahoma, Senator NICKLES, and the rest of the working group, represents a positive—a positive—start on the road to reform.

I am particularly pleased that the bill includes a guarantee that children will have direct access to pediatricians. I have said it many, many times on this floor, but let me say it again this evening—children are not just little adults. Their health care needs are unique. When a child goes to a doctor's office, that child needs to see someone who has been specifically trained to deal with the unique issues of pediatric care; that child needs to see a pediatrician.

I am very pleased that my discussions with Republican task force members on pediatric issues has helped produce a provision in the working group bill that would guarantee our children will be, in fact, treated by pediatricians.

Mr. President, there are several additional ways that we can further improve the quality of children's health care as a part of this overall managed care reform effort. I would like to talk about these additional ways right now.

Specifically, Mr. President, I believe there are three key issues that would go a long way to addressing the health care needs of our children: No. 1, additional pediatric protections beyond what is already now in the bill. In addition to guaranteeing access to pediatricians, other basic protections for children should be addressed to help make sure that health plans are addressing specific pediatric needs.

The most important of these is making sure that when a child faces a serious health problem that calls for specialty care, that that child has access to a health care provider with pediatric training or experience. This could mean that a child with a heart murmur would be guaranteed access to a pediatric cardiologist. It could also mean that a baby in need of intensive hospital care and monitoring has access to a children's hospital, a children's hospital to make sure that pediatrics-specific equipment and care is available for that baby.

Mr. President, my wife Fran and I have personal experiences with our children and with children's hospitals. When your child—my child—has a serious medical problem, you want the best care, you want the best specialists. Many times, quite bluntly, that means going to a children's hospital.

Specialists trained to treat adults often do not have the expertise that children need. That is not their specialty. I would hope that our efforts of managed care reform include making sure children have access to the necessary pediatric expertise, whether that be from the initial treating physician being a pediatrician, or whether it means ultimately going to a children's hospital.

Mr. President, it is important that these basic protections are in place for children, because pediatric care is probably the part of managed care that we really know the least about. The truth is, we just don't know how well managed care takes care of our kids. The measures of quality and studies we have that evaluate managed care simply have not looked at children. In the absence of this evidence, I think that some basic protections for children are required, and they certainly make sense.

I also don't believe the cost of these pediatric protections will amount to a great deal. As we all know, children comprise about 30 percent of our population, but a much smaller part of the cost of health care, a much smaller. I don't believe that making sure children can see pediatricians and pediatric specialists will have an increase on health care costs. In fact, it should have the opposite effect. It could and should reduce costs. This kind of access could cut down on unnecessary trips to doctors, emergency rooms, and work as a good avenue for preventive medicine. Preventive medicine is important for all of us, but nowhere is it as important as it is in dealing with our children. Let me say that again. As the father of eight, I think anyone who has had children knows that and understands that preventive care is the key.

Let me move to the second point and the second suggestion, that is pediatric quality-related research. One important trend we have seen lately in our health care system is the effort to measure quality and improve the science of health care quality. The ability to measure this is vitally significant. But as with many parts of our health care system, not enough attention has focused on children. It is reported that only about 5 percent of this research is aimed at our kids. What is the result? We just haven't had the same type of advances and quality improvements for our children that we have seen for adults.

I have introduced a bill that tries to fix this by focusing attention on pediatric quality-related research. Among other things, our bill includes dedicated funding to make up for the lack of health care outcomes and quality-related information for children. The legislation being developed by the Republican working group already includes a

significant focus on health care quality research. My friend from Tennessee, Senator BILL FRIST, has worked very hard on this part of the bill and he has done an excellent job. I believe we should build on that effort to focus specifically on children. I believe that would be an excellent and an important addition to managed care reform.

Let me turn to the third item. The third area where I believe we can improve this bill, the third item with which I think this Congress must deal, the other improvement I would like to see considered, is language to strengthen the services provided by our Nation's poison control centers. Other than preventive care, much of the health care our children receive is based on emergencies, occurs when emergencies happen. One of the more common emergencies in children, of course, is poison. Each year more than 2 million poisonings are reported—2 million—over half of which occur in children younger than 6 years of age.

While our Nation's poison control centers do a very good job, a very good job responding to these crises, they do face funding problems. Many of these centers have been financed through unstable arrangements from a variety of public and private sources. Funding difficulties are the primary reason that about half of our poison control centers are not certified, meaning that they may not be operating at all times or that fully qualified experts may not be available around the clock.

I have written legislation that would deal with this problem by providing Federal supplemental assistance to poison control centers. In addition, the bill that I have sponsored, and is cosponsored by Senator ABRAHAM, would create a single, simple, toll-free number so parents will always know who to call in the event of a poisoning emergency, so that they always know what number they can call. These measures not only would improve the quality of health care services available for children's health, they would be lifesavers as well.

We have before the Senate a very important debate dealing with the quality and availability of health care. As always, when we talk about health care, we need to be sure we are meeting the needs of children as well as adults. So, as we begin the debate and consider the legislation, we have a great opportunity, a great opportunity to take action that improves the lives of our young people. This Congress already has enacted a number of important pieces of legislation that will save lives, that will save young lives.

Last year, for example, we passed important bipartisan legislation to improve the quality and the availability of health care for low-income children. We also passed bipartisan legislation to reform our foster care system, vitally important legislation to reform our foster care system that will save lives and is saving lives.

This Congress clearly has taken the opportunity to improve the lives of our children. I am hopeful we will take advantage of this opportunity that we face this week and next week, the opportunity that is before us, to find the solution that best provides for health care quality for our children and for all Americans.

HOMEOWNERS PROTECTION ACT OF 1998

Mr. DEWINE. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 318) entitled ''An Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes'', do pass with the following amendments:

(1) Page 1, line 5, strike [1997] and insert: *1998*

(2) Page 12, after line 16 insert the following:

(4) GAO REPORT.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report describing the volume and characteristics of residential mortgages and residential mortgage transactions that, pursuant to paragraph (1) of this subsection, are exempt from the application of subsections (a) and (b). The report shall—

(A) determine the number or volume of such mortgages and transactions compared to residential mortgages and residential mortgage transactions that are not classified as high-risk for purposes of paragraph (1); and

(B) identify the characteristics of such mortgages and transactions that result in their classification (for purposes of paragraph (1)) as having high risks associated with the extension of the loan and describe such characteristics, including—

(i) the income levels and races of the mortgagors involved;

(ii) the amount of the downpayments involved and the downpayments expressed as percentages of the acquisition costs of the properties involved;

(iii) the types and locations of the properties involved;

(iv) the mortgage principal amounts; and

(v) any other characteristics of such mortgages and transactions that may contribute to their classification as high risk for purposes of paragraph (1), including whether such mortgages are purchase-money mortgages or refinancings and whether and to what extent such loans are low-documentation loans.

(3) Page 24, strike lines 15 through 23 and insert:

(2) PROTECTION OF EXISTING STATE LAWS.—

(A) IN GENERAL.—The provisions of this Act do not supersede protected State laws, except to the extent that the protected State laws are inconsistent with any provision of this Act, and then only to the extent of the inconsistency.

(B) INCONSISTENCIES.—A protected State law shall not be considered to be inconsistent with a provision of this Act if the protected State law—

(i) requires termination of private mortgage insurance or other mortgage guaranty insurance—

(I) at a date earlier than as provided in this Act; or

(II) when a mortgage principal balance is achieved that is higher than as provided in this Act; or

(ii) requires disclosure of information—

(I) that provides more information than the information required by this Act; or

(II) more often or at a date earlier than is required by this Act.

(C) PROTECTED STATE LAWS.—For purposes of this paragraph, the term ''protected State law'' means a State law—

(i) regarding any requirements relating to private mortgage insurance in connection with residential mortgage transactions;

(ii) that was enacted not later than 2 years after the date of the enactment of this Act; and

(iii) that is the law of a State that had in effect, on or before January 2, 1998, any State law described in clause (i).

(4) Page 27, line 21 before ''Nothing'' insert:

(a) PMI NOT REQUIRED.—

(5) Page 27, after line 23 insert the following:

(b) NO PRECLUSION OF CANCELLATION OR TERMINATION AGREEMENTS.—Nothing in this Act shall be construed to preclude cancellation or termination, by agreement between a mortgagor and the holder of the mortgage, of a requirement for private mortgage insurance in connection with a residential mortgage transaction before the cancellation or termination date established by this Act for the mortgage.

Ms. MOSELEY-BRAUN. Mr. President, I am glad that the Senate is considering S. 318, the Homeowners Protection Act. I thank my colleagues on the Banking Committee for working so hard to come to a final agreement on this legislation. I am pleased with the result, and I believe that our final product is a good balance which will both benefit consumers and protect the industry. The Senate passed S. 318 last November and this version, which has been passed by the House, contains all of the key provisions of the bill as it first passed the Senate.

Private Mortgage Insurance or PMI is a property insurance line that protects lenders from mortgage default risk. Homeowners pay the premiums, but the lender is the beneficary. PMI is generally used to facilitate loans in which the borrower makes a down payment of less than 20 percent, and the lender usually seeks coverage of the initial 20 percent of the loan value.

However, a number of homeowners currently continue to pay premiums well pass the point of reaching 20 percent equity in their home, and sometimes for the entire life of the loan. This excessive PMI coverage is not only expensive for the consumer, but provides little added protection to the lender. In many cases, homeowners are never informed of their right to cancel PMI, or are faced with significant obstacles when they do attempt to cancel the coverage. This legislation will end that predatory practice. It gives homeowners the right to cancel PMI when they have accummulated sufficient equity in their home to protect the lender from default. It will also provide for automatic cancellation of the mortgage insurance when the mortgagor's

payments meet the defined loan to value ratio of 78 percent or less. Finally, the bill generally prohibits lenders from requiring that consumers obtain PMI when they have a 20 percent or more down payment, with certain exceptions.

S. 318 also ensures that lenders can continue to offer a product called lender paid mortgage insurance or LPMI, where the mortgage insurance is paid by the lender. LPMI folds the insurance payment into a slightly higher interest rate. The product provides an economic benefit for consumers for the early part of the loan, and becomes less beneficial over time if the loan is not refinanced for the life of the loan. When the legislation was considered in the Banking Committee I authored an amendment, along with my colleague, Senator GRAMS, which preserves LPMI. Our amendment, which is a part of this legislation, provides for strong disclosures that ensure the consumer is aware of the way that LPMI works, and can assess the benefits and drawbacks of this product. I would like to thank my colleagues for accepting my amendment, which ensures that this product will continue to provide benefit to consumers.

Again, Mr. President, I would like to express my strong support for S. 318, the Homeowners' Protection Act, and I urge my colleagues to support its quick enactment.

AMENDMENT NO. 3171

Mr. DEWINE. I ask unanimous consent the Senate concur in the amendments of the House with an amendment, which is at the desk.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE] for Mr. SANTORUM, for himself and Mr. SPECTER, proposes an amendment numbered 3171 to the amendments of the House to the bill S. 318.

The amendment is as follows:

At the end of the House amendments, add the following:

SEC. . Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation ''(A)'' immediately after the paragraph designation ''(4)'';

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) adding at the end thereof the following new subparagraph:

''(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankrupcy under Chapter 11 of Title 11 of the United States Code between July 1 and December 31, 1998.''

Mr. DEWINE. Mr. President, I move that the Senate concur in the amendments of the House with the amendment I have sent to the desk.

The motion was agreed to.

MEASURE READ THE FIRST TIME—S. 2316

Mr. DEWINE. Mr. President, on behalf of the majority leader, I understand that S. 2316, introduced earlier today by Senator MCCONNELL, is at the desk and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States and Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle the depleted uranium hexafluoride.

Mr. DEWINE. Mr. President, I now ask for its second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read for the second time on the next legislative day.

ORDERS FOR THURSDAY, JULY 16, 1998

Mr. DEWINE. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Thursday, July 16.

I further ask that when the Senate reconvenes on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume consideration of S. 2159, the agriculture appropriations bill.

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

PROGRAM

Mr. DEWINE. Mr. President, again, on behalf of Majority Leader LOTT, for the information of all Senators, the Senate will reconvene tomorrow morning at 10 a.m. and immediately resume consideration of the agriculture appropriations bill.

It is hoped that Members will come to the floor to offer and debate any remaining amendments to the agriculture appropriations bill so that the Senate can complete action on this legislation by early afternoon tomorrow.

Following disposition of the agriculture appropriations bill, the Senate may resume consideration of the VA–HUD appropriations bill, or may begin the legislative branch appropriations bill.

The Senate may also consider any other legislative or executive items cleared for action. Therefore, Senators should expect rollcall votes throughout the day and into the evening during Thursday's session.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 10:48 p.m., adjourned until Thursday, July 16, 1998, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 15, 1998:

DEPARTMENT OF AGRICULTURE

CHARLES R. RAWLS, OF NORTH CAROLINA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF AGRICULTURE, VICE JAMES S. GILLILAND, RESIGNED.

FEDERAL EMERGENCY MANAGEMENT AGENCY

ROBERT M. WALKER, OF TENNESSEE, TO BE DEPUTY DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, VICE HARVEY G. RYLAND, RESIGNED.

DEPARTMENT OF STATE

GEORGE MCDADE STAPLES, OF KENTUCKY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF RWANDA.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, AND FOR APPOINTMENT AS CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE, AS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

ROBERT JAMES BIGART, JR., OF NEW YORK
THOMAS J. KRAL, OF MARYLAND
CAROL J. URBAN, OF THE DISTRICT OF COLUMBIA