

for the previous eight years. This wave of imported steel substantially reduced demand for U.S. steel production, and brought about the devastating loss of employment for more than ten thousand American steelworkers.

The U.S. Department of Commerce has found dumping margins of up to 200 percent on Russian steel, up to 67 percent on Japanese steel, and up to 70 percent on steel from Brazil. Appropriate actions are being pursued to assess penalties against those responsible for this illegal dumping of steel. However, even if penalty tariffs are collected against those responsible for this illegal dumping, U.S. steel mills will not receive any compensation for the losses they have suffered. A number of U.S. steel plants have closed or declared bankruptcy since September of 1998, and a number of others are close behind.

Estimates are that jobs of tens of thousands of additional steelworkers are in danger unless this illegal dumping is stopped and those in the U.S. steel industry are able to meet their financial obligations in order to get back on their feet.

EMERGENCY OIL AND GAS GUARANTEED LOAN PROGRAM

The Emergency Oil and Gas Guarantee program, as reported by the committee, provides a two-year, GATT-legal, five-hundred-million dollar guaranteed loan program to back loans provided by private financial institutions to qualified oil and gas producers and the associated oil and gas service industry, including Alaska Native Corporations. The minimum loan to be guaranteed for a single company at any one time would be \$250,000, and the maximum would be \$10,000,000. A board is established to administer this program consisting of the Secretaries of Commerce (who would serve as chairman), Treasury, and Labor. This board would have the authority to determine the specific requirements in awarding these loan guarantees, including the percentage of the guarantee, appropriate collateral, as well as loan amounts and interest rates thereon. Repayment of the loans guaranteed under this program would be required within ten years.

The committee makes these recommendations in response to the critical situation facing the domestic, independent oil and gas industry. Since the beginning of the most recent oil and gas crisis (January 1997), the industry has lost 42,500 jobs. Bankruptcies have fueled the closure of an estimated 136,000 wells. Twenty percent of total U.S. marginal well production has been jeopardized because of bankruptcies.

The economic slowdown in Asia led to depressed demand, and oversupply. The United Nation's Food for Oil program, which allows Iraq to sell additional oil in an already saturated market, further depressed prices. Every key indicator of domestic oil and gas industry's health—earnings, employment, production, rig counts, rig rates and seismic activity is down.

The committee notes that the United States was 36 percent dependent when the oil embargo of the 1970s hit. U.S. foreign oil consumption is estimated at 56 percent and could reach 68 percent by 2010 if \$10 to \$12 per barrel prices prevail. It has been predicted that half of marginal wells located in 34 states could be shut-in. Marginal wells produce less than 15 barrels of oil and day and are the most vulnerable to closure when prices drop. Yet, these wells, in aggregate, produce as much oil as we import from Saudi Arabia.

There is no current government loan program that will help the oil and gas producers and the oil and gas service industry. The industry tried to use our trade laws but without success. In 1994, when U.S. dependence

upon foreign oil was 51 percent, a Department of Commerce section 232(b) Trade Expansion Act investigation report found that rising imports of foreign oil threaten to impair U.S. national security because they increase U.S. vulnerability to oil supply interruptions. President Clinton concurred with that finding. Unfortunately, little action to address the problem has been implemented.

Without an emergency loan program to get them through the current credit crunch there will be more bankruptcies, more lost jobs, and greater dependence on foreign oil.

OFFSET

The committee's recommendation includes a rescission of \$270 million from the administrative and travel accounts of the object class entitled "Contractual Services and Supplies" in the non-defense category of the budget. This category includes such things as \$7 billion for travel and transportation; over \$7 billion for advisory and assistance services; \$44 billion for a category called "other services"; and almost \$30 billion for supplies and materials. The rescission shall be taken on a pro-rata basis from funds available to every Federal agency, department, and office in the Executive Branch, in the non-defense category. The Office of Management and Budget is required to submit to the Committees on Appropriations of the House and Senate a listing of the amounts by account of the reductions made.

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered reported en bloc, an original fiscal year 2000 Department of Defense Appropriations bill, the fiscal year 2000 section 302(b) allocation, and H.R. 1664, by recorded vote of 24-3, a quorum being present.

- | | |
|--|--|
| <p>Yeas
Chairman Stevens
Mr. Cochran
Mr. Domenici
Mr. Bond
Mr. Gorton
Mr. McConnell
Mr. Burns
Mr. Shelby
Mr. Gregg
Mr. Bennett
Mr. Campbell
Mr. Craig
Mrs. Hutchison
Mr. Kyl
Mr. Byrd
Mr. Inouye
Mr. Hollings
Mr. Leahy
Mr. Lautenberg
Mr. Harkin
Ms. Mikulski
Mr. Reid
Mr. Kohl
Mrs. Murray</p> | <p>Nays
Mr. Dorgan
Mrs. Feinstein
Mr. Durbin</p> |
|--|--|

BUDGETARY IMPACT

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the act for the most recently agreed to concurrent resolution on the budget for the fiscal year. All funds recommended in this bill are emergency funding requirements, offset herein.

FIVE-YEAR PROJECTION OF OUTLAYS

In compliance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following table contains 5-year projections associated with the budget authority provided in the accompanying bill:

FISCAL YEAR 1999 SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS

(In millions of dollars)

	Budget authority	Outlays
Defense discretionary		
Nondefense discretionary	-270	-108
Mandatory		
Total	-270	-180
Five year projections: Outlays:		
Fiscal year 1999		-108
Fiscal year 2000		-162
Fiscal year 2001		
Fiscal year 2002		
Fiscal year 2003		
Financial Assistance to State and Local Governments		

Note: The above table includes mandatory and discretionary appropriations, and excludes emergency appropriations.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, May 25, 1999, the Federal debt stood at \$5,600,993,485,850.44 (Five trillion, six hundred billion, nine hundred ninety-three million, four hundred eighty-five thousand, eight hundred fifty dollars and forty-four cents).

Five years ago, May 25, 1994, the Federal debt stood at \$4,594,146,000,000 (Four trillion, five hundred ninety-four billion, one hundred forty-six million).

Ten years ago, May 25, 1989, the Federal debt stood at \$2,779,572,000,000 (Two trillion, seven hundred seventy-nine billion, five hundred seventy-two million).

Fifteen years ago, May 25, 1984, the Federal debt stood at \$1,489,052,000,000 (One trillion, four hundred eighty-nine billion, fifty-two million) which reflects a debt increase of more than \$4 trillion—\$4,111,941,485,850.44 (Four trillion, one hundred eleven billion, nine hundred forty-one million, four hundred eighty-five thousand, eight hundred fifty dollars and forty-four cents) during the past 15 years.

WIC FOR MILITARY FAMILIES

Mr. LEAHY. Mr. President, I have been circulating drafts of bills designed to provide WIC benefits to military personnel and to certain civilian personnel, stationed overseas, for a few weeks. I know that Senator HARKIN and other Senators on both sides of the aisle have also been working on this matter as have members of the other body.

I have received valuable input regarding my drafts from Members, national organizations and even personnel stationed overseas and I appreciate all who have helped. This bill introduction does not mean that I am no longer seeking input. On the contrary, as I have always handled nutrition legislation, I want to work with all Members on this important legislation, which I hope can be unanimously passed.

Basically, the Strengthening Families in the Military Service Act mandates that the Secretary of Defense offer a program similar to the WIC program—the Supplemental Nutrition